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Agenda items 73 (c) and (d)
and 116

REVIEW OF THE IMPLEMENTATION OF THE RECOMMENDATIONS AND DECISIONS ADOPTED BY THE GENERAL ASSEMBLY AT ITS TENTH SPECIAL SESSION: ADVISORY BOARD ON DISARMAMENT MATTERS; UNITED NATIONS INSTITUTE FOR DISARMAMENT RESEARCH

PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1998-1999

Request for a subvention to the United Nations Institute for Disarmament Research resulting from the recommendations of the Board of Trustees of the Institute on the work programme of the Institute for 1998

Note by the Secretary-General

1. In accordance with the provisions of paragraph 3 of article VIII of the statute of the United Nations Institute for Disarmament Research (UNIDIR),[1] the recommendation of the Board of Trustees of UNIDIR for a subvention of $213,000 from the regular budget of the United Nations is hereby transmitted to the General Assembly for approval.

2. In approving the work programme and estimated expenditures of UNIDIR for 1998 (A/52/272, annex II), the Advisory Board on Disarmament Matters, in its capacity as the Board of Trustees of the Institute, noted that for several years the subvention received from the United Nations had been kept at the level of $220,000 a year. The Board noted also that, owing to the United Nations financial crisis, the subvention had been reduced to $213,000 a year. The estimates contained in the present note differ from those reviewed by the Advisory Board since, in view of the time expired, UNIDIR has updated the estimates to reflect the current situation, as reflected in a report presented to the Advisory Committee on Administrative and Budgetary Questions. The Institute has again expressed its concern about the need to strengthen its core

staff so as to reinforce its internal research capacity, as well as sustain research commissioned externally. While efforts are continuing to increase the proportion of administrative costs in tied contributions, the scarcity of non-earmarked funds persists, hence the need to continue the subvention and ensure the Institute's economic viability.

3. The proposed programme budget of the United Nations for the biennium 1998-1999 contains, under section 2, Political affairs, a provision of $426,000 as a grant, representing the United Nations subvention to UNIDIR for 1998-1999.[2] In spite of the inclusion of the necessary provision in the proposed programme budget for the biennium 1998-1999, a formal request for a subvention for 1998 of $213,000 is submitted to the General Assembly, in keeping with established procedure.

4. Should the General Assembly decide to approve the recommendation of the Board of Trustees of UNIDIR, no additional provision would be required under section 2, Political affairs, of the proposed programme budget for the biennium 1998-1999, which is proposed for transfer to a new section 2B, Disarmament, in the context of the Secretary-General's measures and proposals for United Nations reform (see A/52/303, chap. II).

5. In section IV of General Assembly resolution 44/201 B of 21 December 1989, the Secretary-General is requested to report annually to the Assembly on the situation of the Institute. In that connection, it should be noted that the financial situation of the Institute is as follows:

(a) Funds available at the beginning of 1997 amounted to $247,000;

(b) Total income estimated for 1997 from voluntary contributions and public donations ($664,400), interest ($20,000), interest income and the subvention from the United Nations regular budget ($213,000) is estimated at $897,400. The estimates reflect a net decrease of $23,000 against initial estimates for 1997, owing to a decrease in voluntary contributions. The details of the revised income for 1997 and estimated income for 1998 are provided in annexes I and II of the present note;

(c) Total estimated expenditure for 1997 is $763,600, which includes a provision of $26,200 for programme support costs. Requirements for 1998 are estimated at $888,700, inclusive of $32,200 for programme support costs. The breakdown of the revised estimated expenditures for 1997 and the estimates for 1998 is provided in annex III to the present document;

(d) Available funds at the end of 1997 are estimated at $380,800, including an operating reserve of $82,600.

Notes

[1] General Assembly resolution 39/148 H, annex.

[2] Official Records of the General Assembly, Fifty-second Session, Supplement No. 6 (A/52/6/Rev.1), vol. I.

Annex I

United Nations Institute for Disarmament Research: revised income from voluntary sources, 1997

Contributors	United States dollars
A. Governments	
Argentina	44 300
Brazil	40 000
Chile	3 700
Cyprus	1 000
Finland	39 400
France	280 000
Greece	7 600
Luxembourg	5 900
Mexico	2 100
Netherlands	32 400
Norway	100 000
Republic of Korea	15 000
Switzerland	45 900
Subtotal A	617 300
B. Public donations	
European Commission	11 200
North Atlantic Treaty Organization	10 900
European Council	10 000
United Nations Development Programme, Office at Bamako	15 000
Subtotal B	47 100
Total	664 400

Annex II

United Nations Institute for Disarmament Research: estimated income from voluntary sources, 1998

	Contributors	United States dollars
A.	Governments	
	Brazil	30 000
	Canada	7 200
	France	280 000
	Netherlands	9 900
	Switzerland	46 900
	Subtotal A	374 000
B.	Public donations	
	Spot image	50 700
	Total	424 700

Annex III

Estimated resource requirements for 1997 and 1998

(Thousands of United States dollars)

Resource requirements	Revised estimates, 1997	Initial estimates, 1998	Increase/ (decrease)
A. Direct programme and administrative costs			
Temporary assistance for meetings	0.9	-	(0.9)
Consultancy fees and travel	49.6	18.0	(31.6)
Ad hoc expert groups	20.0	15.0	(5.0)
Salaries and related staff costs	287.1	453.5	166.4
Personal service contracts	251.6	236.0	(15.6)
Fellowship programme (stipend)	15.5	15.5	-
Official travel of staff	59.9	35.7	(24.2)
Travel of fellows	3.7	3.7	-
Rental of conference rooms	-	1.0	1.0
External printing and binding	1.5	1.5	-
Hospitality	-	2.0	2.0
Paper for internal reproduction	3.7	2.0	(1.7)
Maintenance of office automation equipment	7.0	7.0	-
Subscriptions and standing orders	0.4	1.0	0.6
Supplies and materials	1.9	1.9	-
Photographic supplies	-	47.9	47.9
Acquisition of office equipment	21.1	14.8	(6.3)
Contributions	13.5	-	(13.5)
Subtotal	737.4	856.5	119.1

Resource requirements	Revised estimates, 1997	Initial estimates, 1998	Increase/ (decrease)
B. Programme support costs (5 per cent of total A, less United Nations subvention)	26.2	32.2	6.0
Total estimated expenditure (A+B)	763.6	888.7	125.1
C. Operating cash reserve (15 per cent of total A+B, less United Nations subvention)	82.6	101.3	18.7
Total A+B+C	846.2	990.0	143.8

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PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1998-1999

Net budgeting

Report of the Secretary-General

1. The costs of a number of activities included in the programme budget are not borne entirely by the United Nations but are shared between the Organization and other entities. These activities have not been presented and handled in a uniform manner in previous programme budgets. In some cases, only the share attributable to the United Nations was requested for appropriation purposes under the relevant expenditure sections of the programme budget. This is referred to as net budgeting. In others, the full costs were requested for appropriation purposes and the share of other entities was included under miscellaneous income (income section 2).

2. Net budgeting has been applied in the current and previous programme budgets to the International Trade Centre (sect. 11B) whose costs are shared in an equal manner between the United Nations and the World Trade Organization (formerly with the General Agreement on Tariffs and Trade (GATT)), the secretariats of the Consultative Committee on Administrative Questions, the Information Systems Coordination Committee, the Consultative Committee on Programme and Operational Questions (see sect. 29 of the proposed programme budget)[1] and interorganizational security measures (sect. 30) - all of which are financed jointly by the organizations of the United Nations system. In all those instances, the full budget for the activities is included in the proposed programme budget, but only the United Nations share is requested for appropriation purposes and taken into account in the overall level of the programme budget.

3. In respect of the Joint Inspection Unit (JIU) and the International Civil Service Commission (ICSC), the programme budget had, up to the proposed

programme budget for the biennium 1996-1997, included full provisions under the relevant expenditure sections. The share to be paid by the specialized agencies was reflected under income section 2. Full provisions were also included for the security and conference services in the United Nations Office at Vienna, with the anticipated share of the occupants of the Vienna International Centre and the users of the unified conference services in Vienna reflected as income under income section 2.

4. The preliminary estimate reflected in the proposed outline for the biennium 1998-1999 assumed net budget provisions for JIU, ICSC and the services provided by the United Nations at the Vienna International Centre. Subsequently, provision for net budgeting for those entities was included in the proposed programme budget for the biennium 1998-1999.

5. The basic advantage of net budgeting is that it provides a more accurate picture of the level of requirements of the Organization and does not show, under the budget of the Organization, expenditure requirements that belong to other organizations. It does not inflate the level of the budget.

6. In addressing the issue of net budgeting, the Advisory Committee on Administrative and Budgetary Questions has indicated in paragraph 45 of its report[2] that since the Assembly would appropriate an amount equivalent to the United Nations share of the entities concerned, some mechanism would have to be found to enable the United Nations to continue its current funding practices for them. The application of net budgeting would have no material effect on the funding arrangements. Under net budgeting, as is the case for gross budgeting, the assessments on United Nations Member States would be the same. In either case, the Organization funds its share and participating agencies fund theirs. The following table, taking JIU as an example, illustrates this point:

	Gross budgeting	Net budgeting
	(United States dollars)	
Expenditure section	8 982 600	1 880 100
Income section 2	7 102 500	0
Amount to be assessed	1 880 100	1 880 100

7. For appropriation purposes, under net budgeting only the United Nations share of a particular activity is included. In the presentation of the proposed programme budget itself, however, the full budget is included. For example, in the case of JIU, the full proposed budget for 1998-1999 is presented to the Assembly in paragraphs 29.33 to 29.47 and tables 29.7 and 29.8. The net share to be appropriated is included in table 29.9.

8. In procedural terms, when taking action on the proposed programme budget, the General Assembly would first approve an overall amount for the Joint Inspection Unit. This would be reflected in a resolution. The Assembly would

then appropriate the net share of the Organization for JIU in the context of the appropriation resolution. If, in approving the proposed budget for JIU, the Assembly modifies the proposals of the Secretary-General, the net share to be appropriated will be adjusted accordingly. The same procedure would apply to the International Civil Service Commission. Net budgeting does not therefore reduce the level of budgetary information provided to the Assembly nor does it modify or restrict the authority of the Assembly in budgetary matters.

9. The statute of JIU and that of ICSC both require that their budgets should be included in the regular budget of the United Nations. Under net budgeting and following the procedure explained in the preceding paragraph, the full budgets of ICSC and JIU are included in the proposed programme budget and the authority of the General Assembly to review and approve the full budget is maintained.

10. To summarize, net budgeting is intended to reflect a more accurate picture of the requirements of the Organization. In so doing, it does not affect the funding arrangements for the activities concerned; it does not affect the level of assessments; it does not modify the authority of the General Assembly in budgetary matters.

Notes

[1] See Official Records of the General Assembly, Fifty-second Session, Supplement No. 6 (A/52/6/Rev.1), vol. II.

[2] Ibid., Supplement No. 7 (A/52/7).

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PROGRAMME BUDGET FOR THE BIENNIUM 1996-1997

Extension of the premises of the International Court of Justice

Draft Supplementary Agreement between the United Nations and the Carnegie Foundation concerning the use of the Peace Palace at The Hague

Report of the Secretary-General

I. INTRODUCTION

1. It will be recalled that in the report of the Secretary-General on the extension of premises of the International Court of Justice (A/C.5/50/19) it was indicated that increases in the activities of the Court had given rise to increased occupancy and expansion of the premises in the Peace Palace over the years. The premises had been supplemented by the construction of a new building for the Court in the 1970s (occupancy began in 1978) on the grounds of the Peace Palace. Subsequently, owing to continued increases in the activities of the Court, reconstruction of storage and other space in the attic of the main building of the Peace Palace was undertaken to provide for additional offices for Judges of the Court, additional office space for staff of the Registry, a dining room for members of the Court and the staff of its Registry, where members of the Court could promote their collegiate concerns in confidential exchanges and minimize the time spent away from the office during sessions of the Court, and storage space.

2. The General Assembly, in section III, paragraph 14, of its resolution 50/214 of 23 December 1995, accepted the proposal of the Secretary-General, subject to the recommendations of the Advisory Committee on Administrative and Budgetary Questions, for the enlargement of the premises of the Court, subject to further review in the context of a savings report called for in section II, paragraph 7, of the resolution. In its report (A/50/7/Add.11), the Advisory Committee indicated that the inflation rate applicable to the annual

contribution paid by the United Nations to the Carnegie Foundation for the use of the premises in the Peace Palace would be subject to review by the Committee and approval by the Assembly each time an increase was requested.

3. In a letter dated 23 January 1997, the Carnegie Foundation informed the Secretary-General that the enlarged premises had been put at the disposal of the Court as from 1 January 1997, as scheduled. As stated in the report to the General Assembly at its fiftieth session, following discussions and exchanges on possible amendments to the Agreement between the Carnegie Foundation and the United Nations on the premises occupied by the Court at The Hague, it had been concluded that the enlargement of the premises would result in amendments to article II of the Agreement, which sets out the annual contribution payable by the United Nations to the Foundation, and article IV, which sets out the accommodations at the Peace Palace made available to the Court.

II. HISTORICAL BACKGROUND OF THE AGREEMENT

4. The Agreement concluded between the United Nations and the Carnegie Foundation, dated 21 February 1946, was subsequently approved by the General Assembly in its resolution 84 (I) of 11 December 1946 for occupancy of the original premises (formerly occupied by its predecessor, the Permanent Court of International Justice) by the International Court of Justice. It stipulated payment by the Court of an annual contribution of 48,000 Netherlands florins for the use of certain designated premises in the Peace Palace. That sum was increased to F. 68,400 by the Assembly in its resolution 586 (VI) of 21 December 1951, in which it approved a Supplementary Agreement in order to offset the devaluation of the guilder. Another Supplementary Agreement was approved by the Assembly under the terms of resolution 1343 (XIII) of 13 December 1958, by which the annual contribution was increased to F. 100,000 as a result of increased costs of maintenance of the Peace Palace. Subsequent increases in the United Nations contribution over the years, based on requests by the Foundation owing to increases in its operating costs attributable to changes in the rate of inflation, were approved by the Assembly without supplementary agreements.

III. ARTICLES II AND IV OF THE EXISTING AGREEMENT

5. A proposed amendment to article II of the Agreement, which establishes the annual contribution payable by the United Nations to the Carnegie Foundation for premises occupied by the Court in the Peace Palace, would cause a change in the amount stated therein from F. 100,000 to F. 1,843,582 net and introduce a qualification that the agreed amount is "subject to annual increases relating only to inflation", which was not part of the original Agreement or subsequent amendments. The proposed amendment to article II is annexed to the present report.

6. The proposed amendment to article IV of the Agreement, pertaining primarily to a revision in the number of rooms made available to the Court, is reflected in the annex to the present report. The office accommodations and related facilities of the Court are grouped under three general categories: permanent

offices and related space, facilities for sessions of the Court and offices for ad hoc judges and temporary staff. Article IV stipulates that:

"The Court shall have the permanent and exclusive use of the following rooms: nos. 8, 9, 10, 11, 13, 27, 28, 38, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 301, 302, 303 and 306, as well as the room known as the 'Refectory' and the adjacent premises appertaining thereto.

"Whilst the Court and its Chambers are in session, the Court shall have the use of the Great Court Room (No. 2) and the ante-chamber (No. 3) as well as of rooms No. 1 and 25. On days on which the Court is not meeting in public, the said premises may be used by other institutions.

"The Court will be entitled to the joint use of all the other premises of the Palace necessary for its work, in accordance with agreements to be concluded in each particular case with the Foundation.

"Members of the Court and its officials shall enjoy on the same footing as the other members and officials of the other institutions occupying the Peace Palace:

"1. The entrances and exits, vestibules, corridors and stairways;

"2. The cloak-rooms and lavatories adjacent to the premises occupied;

"3. The lifts and similar parts of the Palace intended for general use."

IV. SUMMARY AND FINANCIAL IMPLICATIONS FOR 1996-1997

7. As mentioned in paragraph 2 above, the General Assembly, in its resolution 50/214, accepted the proposal of the Secretary-General, subject to the recommendations of the Advisory Committee on Administrative and Budgetary Questions and to further review in the context of a report on savings called for in the resolution. In its resolution 50/215 A of 23 December 1995, the Assembly appropriated $331,400 to provide for additional accommodation for the Court. In its resolution 51/221 A of 18 December 1996, the Assembly approved the adjustment of $78,100 in the contribution payable by the United Nations to the Carnegie Foundation for further enlargement of the premises available to the Court. The Carnegie Foundation had assented to a one-time reduction, effective 1 January 1997, in the contribution payable by the United Nations for its share of the general operating expenses of premises provided to the Court in the Peace Palace at The Hague (see A/C.5/50/57/Add.1).

8. The Carnegie Foundation, in a letter dated 23 January 1997, informed the Secretary-General that the enlarged premises had been made available to the Court as from 1 January 1997, and it assumed that the Supplementary Agreement between the United Nations and the Foundation had in fact entered into force on 1 January 1997. The Foundation was informed that the Agreement was subject to the approval of the General Assembly. In letters dated 11 September and

30 October 1997, the Foundation concurred that the base amount of the annual payment indicated in the draft Supplementary Agreement should remain unchanged for at least five years.

9. The estimated requirements for the biennium 1996-1997 for the enlarged premises for which provision has been made total $253,300 (before recosting). The total estimated contribution requested by the Carnegie Foundation (including that for new accommodations) would be increased to F. 3,826,585 per biennium in 1998-1999. Provisions ($2,178,500 before recosting) have been made under section 5 of the proposed programme budget for the biennium 1998-1999 for that purpose.[1]

V. ACTION TO BE TAKEN BY THE GENERAL ASSEMBLY

10. Amendments to the Supplementary Agreement are submitted for the approval of the General Assembly (see annex).

Notes

[1] Official Records of the General Assembly, Fifty-second Session, Supplement No. 6 (A/52/6/Rev.1), vol. I, sect. 5.

ANNEX

Draft Supplementary Agreement between the United Nations and the Carnegie Foundation concerning the use of the Peace Palace at The Hague

1. The United Nations and the Carnegie Foundation hereby agree that article II of the Agreement between the United Nations and the Carnegie Foundation concerning the use of the premises of the Peace Palace at The Hague, as contained in annex A to General Assembly resolution 84 (I) of 11 December 1946, as amended by the Supplementary Agreements contained in the annexes to Assembly resolutions 586 (VI) of 21 December 1951, and 1343 (XIII) of 13 December 1958, and article IV shall be amended to read as follows:

"Article II

"The annual contribution payable by the International Court of Justice in respect of the use of the Peace Palace is hereby fixed at 1,843,582 Netherlands florins net, subject to annual increases relating only to inflation. This base amount shall be reviewed after a period of five years."

"Article IV

"The Court shall, in addition to the judges' wing, have the permanent and exclusive use of the following rooms: No. 7, 8, 11, 13, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 410, 411, 413, 414, 415, 416, 417, 418, 419, 421, 425, 426, 427, 428, 429, 430, 431, 433, 434, 435, 437, 439, 441, 442, 443, 444, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, and archive spaces No. 302, 303, 305, 306, 307, 308, 401, 402, 403 and 404.

"Whilst the Court and its Chambers are in session, the Court shall have the use of the Great Court Room (No. 2) with the ante-chamber (No. 3) as well as of rooms No. 1, 5 and 25. On days on which the Court is not meeting in public, the said premises may be used by other institutions.

"The Court shall be entitled to the joint use of all the other premises of the Palace necessary for its work, in accordance with agreements to be concluded in each particular case with the Foundation.

"Members of the Court and its officials shall enjoy on the same footing as the other members and officials of the other institutions occupying the Peace Palace:

"1. The entrances and exits, vestibules, corridors and stairways;

"2. The cloak-rooms and lavatories adjacent to the premises occupied;

"3. The lifts and similar parts of the Palace intended for general use."

2. This Supplementary Agreement shall enter into force on 1 January 1997.

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PROGRAMME BUDGET FOR THE BIENNIUM 1996-1997

PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1998-1999

Revised estimates resulting from resolutions and decisions of the Economic and Social Council at its organizational and substantive sessions of 1997

Report of the Secretary-General

1. The present report is submitted to inform the General Assembly of the requirements resulting from resolutions and decisions adopted by the Economic and Social Council at its organizational and substantive sessions of 1997.

2. The Council has adopted a number of resolutions on restructuring of the intergovernmental machinery of the regional commissions, in particular, the Economic and Social Commission for Asia and the Pacific (resolution 1997/4 of 18 July 1997), the Economic Commission for Africa (resolution 1997/5 of 18 July 1997) and the Economic and Social Commission for Western Asia (resolutions 1997/10, 1997/11, 1997/12 and 1997/14 of 18 July 1997). In some instances, the restructuring of the intergovernmental machinery of those regional commissions would entail changes in their calendar of meetings and conferences for the biennium 1996-1997 or 1998-1999. It is the intention of the Secretary-General to accommodate the revised conference-servicing requirements of these commissions from within the provisions made in the relevant sections of the programme budget for the biennium 1996-1997 or the proposed programme budget for the biennium 1998-1999, as appropriate.

3. The Council also adopted a number of resolutions and decisions in which it authorized relevant functional commissions, standing committees or expert bodies to undertake additional activities, including meetings, in excess of those initially programmed in the programme budget for the biennium 1996-1997 or in the proposed programme budget for the biennium 1998-1999. In accordance with rule 31 of its rules of procedure, the Council was provided, where appropriate,

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with a statement of programme budget implications prior to the adoption of the resolutions and decisions. It should be noted that none of those statements dealt with substantive additional requirements. The statements dealt only with additional conference-servicing requirements. In each statement the Council was informed: (a) that provision was made under the section on Conference Services, of the programme budget for the biennium 1996-1997 or the proposed programme budget for the biennium 1998-1999, not only for meetings programmed at the time of budget preparation but also for meetings authorized subsequently, provided that the number and distribution of meetings were consistent with the pattern of meetings of past years; (b) that the additional requirements entailed by the relevant resolution/decision were, therefore to be dealt with within the overall provisions for the conference-servicing of the United Nations meetings and conferences, contained in the programme budget for the relevant biennium; and (c) that the actual conference-servicing costs of the meetings called for by the relevant resolution/decision were to be reported to the General Assembly in the context of the second performance report for the biennium 1996-1997 or 1998-1999, as appropriate.

4. By its decision 1997/293 of 23 July 1997, entitled "Racism, racial discrimination, xenophobia and related intolerance", the Council approved the request of the Commission on Human Rights to recommend to the General Assembly to convene not later than the year 2001 a world conference on racism, racial discrimination, xenophobia and related intolerance and to undertake a number of preparatory activities for the conference. The text of decision 1997/293 is before the General Assembly in document A/C.3/52/L.9. Should the Assembly take action on the Council's recommendation, a statement of programme budget implications of the decision would be submitted to the General Assembly at its current session, in accordance with established procedure.

5. At its sixteenth session, the Committee on Economic, Social and Cultural Rights recommended to the Economic and Social Council the adoption of three decisions (E/1997/L.23), as follows:

(a) Draft decision I. The Economic and Social Council, concerned that there was currently a backlog of reports awaiting consideration by the Committee on Economic, Social and Cultural Rights, which would take up to three years to clear on the basis of existing arrangements, would approve, on an exceptional basis, the holding of one additional three-week session of the Committee in the course of 1998, as well as a pre-sessional working group of one week's duration;

(b) Draft decision II. The Council, noting that the effectiveness and profile of the Committee on Economic, Social and Cultural Rights could be further enhanced by holding occasional sessions in New York, would approve the holding of the Committee's nineteenth session, in late 1998, in New York;

(c) Draft decision III. The Council, recalling that no action had yet been taken by the General Assembly with regard to Council decisions 1993/297 and 1995/302 A and noting that honorariums were already being paid to members of the Human Rights Committee, the Committee on the Elimination of Discrimination against Women and the Committee on the Rights of the Child, would call upon the Assembly to take appropriate action to remedy the situation by approving the

payment of an honorarium, as from 1997, to the members of the Committee on Economic, Social and Cultural Rights.

6. A statement on the programme budget implications of those proposals was submitted to the Council in document E/1997/L.44. In that statement, the additional requirements with respect to draft decisions I and II were estimated to amount to $219,000 for travel costs under section 22, Human rights, and $952,800 (at full cost) under section 27 E, Conference services, of the proposed programme budget for the biennium 1998-1999. Subsequently, however, the Council postponed its consideration of the recommendations of the Committee on the Economic, Social and Cultural Rights to the second part of its resumed substantive session of 1997 to be convened in December 1997. Should the Council, at that resumed substantive session, take action on the recommendations of the Committee on Economic, Social and Cultural Rights, the Secretariat would submit to the Assembly at its current fifty-second session, an addendum to the present report informing it of any additional requirements that might be entailed by the Council's action.

7. In summary, the resolutions and decisions adopted by the Economic and Social Council during its sessions of 1997 do not give rise at this stage to a need for additional appropriations for the biennium 1996-1997 or 1998-1999.

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UNITED NATIONS COMMON SYSTEM

Comments by the Federation of International Civil Servants' Associations

Note by the Secretary-General

The Secretary-General transmits herewith for consideration by the Fifth Committee a document submitted by the Federation of International Civil Servants' Associations (FICSA) (see annex). The document has been submitted pursuant to the provisions of paragraph 2 (b) of General Assembly resolution 35/213 of 17 December 1980, whereby the Assembly reiterated its readiness to receive and consider fully the view of the staff as set out by a designated representative of FICSA in a document submitted through the Secretary-General.

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ANNEX

Comments by the Federation of International Civil Servants' Associations

Introduction

1. The Federation of International Civil Servants' Associations (FICSA) welcomes the atmosphere of reform at the United Nations. It provides Member States with an important and unique opportunity to look anew at the structures and systems that influence the way in which international civil servants carry out the mandate of their organizations. It is the firm belief of FICSA that full advantage must be taken of this time of renewal and dialogue to ensure that decisions made by the General Assembly today lead the international community in the best direction for some time to come. Those decisions must empower the staff to do their best work. FICSA fervently believes in the need for an independent international civil service and supports the efforts of the Secretary-General to ensure the effectiveness, efficiency, economy and ethics of the United Nations. As the Member States consider issues affecting staff and conditions of service, FICSA would like to take this opportunity to outline its concerns.

Consultative process

2. First and foremost among the concerns of staff is the continuing uphill struggle to secure a more effective consultative process on the crucially important issue of conditions of service and terms of employment. In March 1997 FICSA was invited to a meeting convened by the Chairman of the Fifth Committee, at which it had hoped to gain a sympathetic hearing on the feasibility of introducing a negotiating structure similar to those propounded in the International Labour Organization (ILO) conventions on the right to organize and collective bargaining. FICSA felt that what was granted without dispute in most democracies at the national level could also be granted at the supranational level to the United Nations, thus assuring appropriate negotiations between employers and employed. Despite the right enshrined in the Declaration of Human Rights to form and join trade unions for the protection of everyone's interests, the United Nations still fails to grant its staff the right of collective bargaining. This attitude prevailed at the meeting in March which did not enter into a discussion in any real sense of the term. Staff bodies delivered their presentations, whereafter they were urged to return unconditionally to the International Civil Service Commission (ICSC). The meeting as a whole merely confirmed anew the reasons for which the staff maintain their boycott of the Commission.

3. Some changes within the common system have, however, become apparent. First, General Assembly resolution 51/226 of 3 April 1997 on human resources management placed great emphasis on strengthening the staff/management dialogue. Second, members of the World Trade Organization have called for the establishment of trade unions as a basic condition for equitable world trade agreements. And third, at the invitation of both the former and current

Chairmen of the Consultative Committee on Administrative Questions (CCAQ), the President and General Secretary of FICSA took part in informal discussions in Paris in April on the establishment of a working group to review the operations and procedures of ICSC, more specifically the consultative process and the related working arrangements. Regrettably and contrary to the impression given in the ICSC report for 1997,[a] organizational shortcomings on the part of the ICSC secretariat hampered the establishment of the working group on the consultative process that emerged from those discussions (see appendix I). This delay which precludes any action being taken at the current session of the General Assembly is all the more regrettable as the basic aim of the working group is to identify the areas of discontent of the participating parties, review and make recommendations to address the concerns and possible measures to be taken to rectify the situation.

4. FICSA has long been firmly convinced that at a time when all organizations are taking steps to ensure the quality of their resource management and improve performance in the fulfilment of their mandates, the Commission as a body set up to regulate and coordinate the conditions of service of the United Nations common system cannot exclude itself from that process. FICSA has always maintained that it is essential to assess whether the Commission has in fact achieved its mandate as a technical, independent and impartial body. It is thus encouraging to note that those views are shared by the Secretary-General, who stresses in his reform proposals that the re-examination of the composition, mandate and functioning of the Commission will contribute to the success of the reform measures being undertaken by the organizations of the common system (A/51/950, para. 232). It is a re-examination that brooks no delay.

5. Given the crucial importance of that re-examination and without prejudice to its policy of non-cooperation with ICSC, which the FICSA Council reconfirmed at its fiftieth session, the Federation will participate in the working group in the full spirit of reform. FICSA representatives are currently preparing themselves for the first session of the working group, which they see as a forum for the presentation of proposals for a thorough overhaul of the statute and functioning of the Commission, ultimately leading to a tripartite negotiation body. Given the magnitude of the task at hand, FICSA sees the first meeting set for mid-January 1998 being followed by a meeting or meetings at a later date. It is to be hoped that these endeavours will be crowned with success.

Code of conduct

6. It is incumbent upon the United Nations to set an example to others. This holds particularly true for its role as a model employer: an image that has certainly been blemished by certain provisions in the proposed code of conduct (see A/52/488) which undermine the very basis of the international civil service. FICSA has strong reservations on those new provisions which, in addition to running counter in certain instances to the spirit of good staff/management relations, were drafted without the involvement of the specialized agencies on whom they will ultimately devolve.

7. The Federation's reservations stem not only from the complete disregard for the opinions of other agencies and organizations on matters of common interest.

It also stems from the basic tenor of the code. It is not an integrity-based set of rules outlining values to which staff are expected, or even assumed, to subscribe. It is a compliance-based book of directives that converts those values deemed necessary to the effective functioning of the organization into staff rules and regulations with which the staff member must comply or risk disciplinary action. Several articles in the code are injurious to staff rights. These articles attempt to reduce staff rights to demonstrate, fight for improved conditions of service and issue statements to the media, as well as their right to speak with representatives of permanent missions. Moreover, the code is worded in such a way as to imply that international civil servants and their families are potentially capable of wrongdoing. The very fact that the new code spells out only singularly few staff rights merely serves to strengthen this impression. How else is one to understand the provision on financial disclosures that will be binding on all Assistant Secretaries-General and other prescribed staff as well as their spouses and children. In addition to reeking of victimization and breach of privacy, the broad sweep of the provision aims in essence at holding dependants responsible and accountable for the actions of their partners or parents. It is all very reminiscent of Sippenhaftung, or guilt by association.

8. A series of commentaries has been prepared on the individual provisions which it is stated are not intended to affect the rights of staff associations/unions as they carry out their mandate. However, it is very hard to see how a staff association or union restricted to peaceful assembly or meetings in authorized rooms and not allowed to demonstrate in the traditional mode will not be affected.

9. FICSA sincerely doubts whether there was a need to revise the Report on Standards of Conduct in the International Civil Service drawn up by the International Civil Service Advisory Board in 1954 (see A/52/488, annex III). If, however, there were such a need, the revision should have been undertaken by ILO so as to guard against infringement of internationally recognized standards and principles. FICSA thus insists that the Code of Conduct be reviewed by ILO before its adoption.

Reform proposals

10. FICSA has reviewed the reform proposals of the Secretary-General with keen interest. In addition to the aspects that reflect the Federation's concern with ensuring the rights for international civil servants in accordance with international labour conventions and revising the code of conduct, FICSA seeks full and equal participation in processes that affect staff. It is also very conscious of the need to enhance security measures and improve conditions of service. FICSA welcomes the focus on image building, the introduction of innovations into the decision-making process and the emphasis lent to strengthening the principles of accountability and responsibility, as well as to the effective management of human resources.

11. Particularly important are the Secretary-General's proposals for strengthening the staff of the United Nations and the strategies he has put forward. These range from proposals for streamlining the central

administration, simplifying human resource management and procurement processes and strengthening existing common services. They also include training for staff assuming new tasks, although FICSA would urge continuous training as a desirable feature in any learning organization. But while recognizing the need to meet the need for the three E's - economies, efficiencies and effectiveness - it is equally important to recognize the fourth E - ethics - and to ensure that staff are treated in a manner befitting a modern organization. In this regard, FICSA draws attention to the increasing number of instances of staff, particularly staff representatives, being harassed. In the ultimate analysis, repression and reprisals are hardly compatible with a genuine sense of ethics.

12. Staff can contribute significantly to improving the much-maligned economies, efficiencies and effectiveness of the common system. As the universally recognized invaluable asset of the Organization who work unremittingly each day for the cause of the United Nations, they are eminently qualified to offer advice on bettering things. FICSA thus regrets that the Federation was not invited to join the working group that the Secretary-General established to put forward proposals on reforming the common system.

13. FICSA is keenly aware of the fact that for many, reform is synonymous with reduction. In a world that is forever demanding more of the United Nations, it makes little sense to reduce the critical mass of the member organizations and agencies. Shock therapy and a sudden reduction in food intake is hardly the best way to keep an active body alive. Furthermore, by constantly threatening to reduce staff, certain reform proposals are hardly motivating for those doing their very utmost to provide the services requested of them. It is also hardly characteristic of a good employer and sets a bad example for others.

Field security

14. Principles of good employment are particularly important where field staff are concerned. The recent upsurge in national and regional conflicts and the change in the nature of those conflicts have placed field staff at great risk. Security measures more appropriate to current conditions need to be introduced and extended to all field staff, international and local alike, under threat. Currently, all United Nations staff working in the field do not enjoy the same degree of protection; the Security Handbook makes a very clear distinction between internationally recruited staff and locally recruited staff. This discrimination raises serious human and moral concerns. It is imperative that the United Nations no longer creates the impression of an organization that applies double standards to the security of its staff and of a body more concerned with protecting the lives of one category of its staff.

15. Recognition of the need for such security measures stems from the difficulties experienced during the conflict in Rwanda as well as from the ever increasing death toll among United Nations staff in other national and regional conflicts. It may appear tasteless to call upon the dead to bear witness to the growing dangers inherent in certain field operations. It is equally distasteful, however, to fail to take all measures to prevent the reoccurrence of such sad events. At the most recent meeting of the Administrative Committee

on Coordination, FICSA submitted a paper on the security of field staff (see appendix II) which itemized its proposals on this crucially important matter.

General Service

16. In a year that FICSA has formally declared the Year of General Service Staff, it is ironic that staff continue to face intransigence on the issue of General Service salary surveys. Once again the Commission has decided on revised salary survey methodologies; these will be implemented as of 1 January 1998. The previous revision in 1992 resulted in salary freezes in all duty stations but one (New York). This revision will reduce General Service salaries still further and extend the freeze well into the next millennium. Indeed, the changes recommended convince FICSA that ICSC does not share the Secretary-General's commitment to upholding the Flemming principle: the principle that provides that conditions of service of locally recruited staff should be based on the best prevailing local conditions, without being the absolute best, and so able to attract and retain staff of the highest calibre.

17. Proper, unbiased and unflawed application of the Flemming principle would be a sound means of ensuring the maintenance of a dynamic and highly motivated core of qualified and dedicated General Service staff. In the opinion of FICSA, repeatedly and arbitrarily modified salary survey methodologies that are demonstrably and increasingly detrimental to staff interests and well-being run counter to the most recent reform proposals of the Secretary General. In those proposals the Secretary-General urged that the staff of the United Nations be fairly compensated and their conditions of service determined in an objective manner. He also upheld the provisions of Article 101 of the Charter of the United Nations which states in paragraph 3 "The paramount consideration in the employment of the staff and in the determination of the conditions of service shall be the necessity of securing the highest standards of efficiency, competence and integrity".

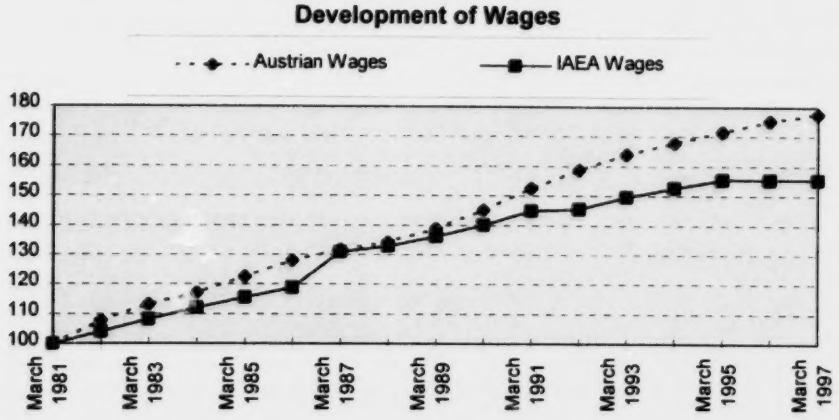
18. It is not as though the outcome of the latest revised methodologies is an unknown factor. The methodologies were recently tested in Jakarta and yielded negative results of the order of 6 to 18 per cent compared with present methodologies. Interpreting "best prevailing" to mean "best" and "prevailing" and insisting that salaries of national civil services account for at least 25 per cent in each survey will mean that bias has been introduced from the very outset. Equally disconcerting is the provision that at least 75 per cent of the staff (as opposed to the earlier figure of 50 per cent) utilize a benefit before it can be included in the quantification of fringe benefits. Further complications arise with the failure to consider other elements in the complete package of conditions of service, such as pension benefits and security of appointment. Flawed interpretations and manipulations are inevitable, particularly if one ignores the fact that the United Nations common system applies the principle of "rank in post" as distinct from the principle of "rank in person" applied in most national civil services, thus rendering most comparisons meaningless. FICSA is firmly convinced that the basic aim behind these revisions is primarily to achieve further unjustifiable salary cuts at all costs and by all possible means. FICSA would also emphasize that the problem of competitiveness is particularly acute in field duty stations where United

Nations organizations must compete with the World bank and bilateral funding agencies that offer higher salaries to local staff.

19. FICSA would point out that successive reviews of the salary survey methodologies have eroded the Flemming principle beyond all measure. The result is the organizations' loss of competitiveness. In Vienna, for example, the Austrian wage index increased by some 22 percentage points or 44 per cent in real terms over General Service salaries for the same period (see figure below). Clearly, it is only a matter of time before less qualified and lower paid staff are being recruited in total violation and disregard of Article 101. FICSA cannot accept such a daunting prospect and therefore requests that implementation of the revised salary survey methodologies be deferred.

20. Given the magnitude of the reductions brought about by the methodological revisions, staff have no choice but to protect their rights. They have already entered into the wearisome and costly process of lodging appeals, which as we all know is equally time-consuming and costly for other parties, none of whom were involved in the original computations and elaboration of the methodologies applied.

21. The Commission also decided on the main criteria for the determination of pensionability or non-pensionability of certain benefits granted by comparator firms and on a threshold and a ceiling respectively. On the basis of recommendations made by the joint ICSC/United Nations Joint Staff Pension Board Working Group on the review of the methodology for the determination of the non-pensionable component, ICSC decided to reduce the non-pensionable component ceiling from 25 to 20 per cent of net salary and to establish a uniform threshold of 10 per cent for both headquarters and non-headquarters duty stations (currently 5 per cent at non-headquarters duty stations) FICSA is fundamentally opposed to the concept of a non-pensionable component of remuneration which is also diametrically opposed to provisions in national legislation in a number of member States. FICSA has always maintained that total remuneration, both in cash and in kind, must be pensionable in order to meet one of the universally accepted criteria on which most pension schemes are based, i.e. that any comprehensive retirement scheme should provide beneficiaries with living conditions not too markedly different from those they enjoyed when in active service.



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Professional salaries

22. The current situation with respect to Professional salaries also appears to be suffering from gridlock, thus depriving the organizations of the competitive remuneration package they need to recruit the best possible staff as called for by the Charter. On the one hand, both ICSC and Member States repeatedly reaffirm the validity of the Noblemaire principle, which provides that Professional salaries should be based on the best paid civil service. On the other hand, neither ICSC nor Member States appear prepared to replace the current comparator, the United Service federal civil service, by the German civil service, whose remuneration package as determined by ICSC is superior to that of the United States. The complexity of the issue, however, is compounded by strong reservations of the German Government's representatives on their civil service being identified as the best paid. In the attempt to demonstrate that United Nations salaries are excessive in comparison to German civil service salaries, recourse has been taken to using inconsistent United Nations/German civil service job matches. Furthermore, the United States has failed to honour fully the annual salary adjustments due since 1994 under the Federal Employees' Pay Comparability Act (FEPCA) of 1990, the purpose of which was to close the salary gap between the private sector and the civil service by the year 2002 and so increase the competitiveness of United States federal civil service salaries. Full compliance with FEPCA would yield civil service salary levels some 6.4 per cent higher than at present.

23. As is well known, Professional salaries are supposed to be kept at the mid-point (115) of a margin range of 110 to 120, i.e., 10 to 20 per cent above United States civil service salaries paid in Washington, D.C., adjusted for cost-of-living differentials between Washington and New York to reflect the higher costs of expatriates.

24. For 1997 ICSC has reported a margin of 115.7 for the year 1997. Had the comparison been based on equivalent grades using the equal weighting method, a procedure that is technically correct, the result would have been a margin of 111.2. Furthermore, a similar comparison of total compensation of German officials in Bonn and United States officials in Washington, D.C., would have yielded a margin of 110.9.

25. Given the ICSC decision to dismiss the Noblemaire principle and hence not recommend an upward adjustment, FICSA welcomes and supports the CCAQ proposal that the margin range be revised upwards from 110-120 to 120-130 without involving the cumbersome task of changing comparators at this particular juncture. That notwithstanding, FICSA is firmly convinced of the need to change comparators at the earliest possible opportunity so as to meet the basic requirement of the Noblemaire principle.

26. A further puzzling factor is that whereas certain Member States have no objection to granting adequate and competitive salaries (some 30 to 50 per cent higher) to international civil servants employed, for example, by the World Bank, the International Monetary Fund, the Organisation for Economic Cooperation and Development, the North Atlantic Treaty Organization and the European Atomic Energy Agency, they are not prepared to do the same for staff in the United Nations system organizations. FICSA is disconcerted at the double standards

being applied in this crucially important instance. The increase of 0.4 per cent agreed to by the General Assembly at its fifty-first session (after rejecting earlier proposals of 9.2 and 4.1 per cent) is hardly an order of increase to satisfy serving staff, let alone attract new staff of the required calibre.

Geneva post adjustment

27. FICSA notes the conclusion in the 1997 ICSC report that "It was not possible to implement the single post adjustment for Geneva by 1 January 1998, as requested by the Assembly in its resolution 51/216".[b] FICSA objects strongly to price collection in Geneva and in neighbouring areas of France for the purposes of determining the post adjustment in Geneva. FICSA agrees with the representative of ILO, who observed that "the legal flaws associated with a single post adjustment index were of much more significance than was recognized by the United Nations Legal Counsel".[c] FICSA supports maintenance of the status quo, in full agreement with the administrations of Geneva-based organizations. Staff in Geneva would undoubtedly take very strong industrial and legal action should the General assembly approve a single post adjustment index for Geneva based on prices collected in two countries or two separate post adjustment indices, i.e., one based on Geneva data and the other based on data collected in the border areas of France.

Factors contributing to the erosion of the international civil service

28. Erosion of the international civil service has been furthered in two distinct ways: the practice of loaning staff to the common system; and the recommendation to all organizations to offer appointments of limited duration.

29. The first practice runs counter to the basic precepts of Article 101 of the Charter. Impartiality and allegiance to the system are the hallmarks of the United Nations. These important values will not be upheld by introducing a growing complement of loaned staff whose primary commitment will ineluctably remain with those who loaned them - their own Governments to whose service they will ultimately return.

30. The second practice contravenes the principles of an international civil service. Despite the endorsement given by ICSC to the principles and guidelines for their use, appointments of limited duration schemes dilute social security provisions, particularly pension entitlements, as well as leave provisions. The net outcome is a caste system of privileged and underprivileged staff. Despite the call to observe the requirements of the Charter pertaining to the recruitment of staff, appointments of limited duration schemes violate article 23 (2) of the Universal Declaration of Human Rights which stipulates: "Everyone, without any discrimination, has the right to equal pay for equal work". FICSA is firmly convinced of the need to limit appointments of limited duration to very specific tasks such as short-term missions; they should not be used for any type of ongoing work or regular staff activities.

Conclusion

31. FICSA trusts that its views will be heeded by the Fifth Committee in a spirit of mutual endeavour as staff, administrations and Member States move towards a common vision of the future in which all can share. They have been submitted as a contribution to the overall aim of enabling the Organization to act with greater unity of purpose, coherence of efforts and agility in responding to the many challenges it faces.

Notes

[a] Official Records of the General Assembly, Fifty-second Session, Supplement No. 30 (A/52/30).

[b] Ibid., para. 100 (c) (viii).

[c] Ibid., para. 78.

APPENDIX I

Letter dated 22 September 1997 from the President of the Federation of International Civil Servants' Associations addressed to the Chairman of the Fifth Committee of the General Assembly at its fifty-second session

The Federation of International Civil Servants' Associations (FICSA) would like to congratulate you on your election as Chairman of the Fifth Committee of the United Nations General Assembly. Your many years of experience working in a variety of capacities with the United Nations system has undoubtedly made you aware of some of the concerns of international civil servants. The Fifth Committee has the demanding responsibility of ensuring that conditions of service within the common system enable administrations to recruit and retain staff of the highest professional and moral calibre at every level. FICSA hopes that, under your stewardship, the Fifth Committee's deliberations on the common system will be fruitful and yield recommendations that strengthen the United Nations system by respecting Article 101, paragraph 3, of the Charter of the United Nations, which states: "The paramount consideration in the employment of the staff and in the determination of the conditions of service shall be the necessity of securing the highest standards of efficiency, competence and integrity".

The Fifth Committee will be faced with many challenges this year. One of the challenges that is of particular concern to FICSA, and all common system staff, is the way in which conditions of service are determined at the inter-agency level. FICSA welcomes the recent initiatives taken by the General Assembly to encourage a review of the consultative process of the International Civil Service Commission (ICSC), and the Secretary-General's request to the Member States in his proposals for United Nations reform that they "review the International Civil Service Commission to strengthen it as a truly independent group of technical experts on salaries, allowances, compensation and conditions of service, with representation from all regions" (A/51/950, para. 276). In the same document, he recommended that the General Assembly "initiate a review of the International Civil Service Commission, including its mandate, membership and functioning in order to increase its effectiveness in meeting the challenges facing the United Nations system" (A/51/950, action 20, recommendation).

In this context, FICSA wishes to express its profound disappointment about the terms in which the "progress" on the consultative process has been described in this year's annual report of ICSC to the General Assembly (A/52/30, paras. 28-40).

Regrettably, in the main text, the reasons for the Federation's non-participation in the scheduled working group on the consultative process have been omitted. This is all the more regrettable as the reasons advanced by the Federation were sound and substantial, based as they were on evidence of the ICSC secretariat having made inadequate preparations for the working group.

I thus wish to draw the attention of the Fifth Committee to the reasons governing the Federation's decision not to participate in the working group.

These can briefly be described in two words: poor organization. In more specific terms, however, non-participation was governed by two major factors: modalities and timing.

As to modalities, it had been agreed by all parties that the working group would be assisted in its deliberations by a facilitator from outside the system. This had been part of the terms of reference approved by the Commission at its spring session in Paris. When, however, during the informal consultations FICSA was confronted with the announcement that the Commissioners themselves would participate in a group that had been set up expressly to review their work, the Federation made it abundantly clear that the provision of a facilitator was the main and most important requirement of the working group. An impartial facilitator was of paramount importance if the working group were to be guaranteed a minimum degree of independence.

As regards timing, FICSA received the invitation to participate in the working group in May 1977. However, that letter of invitation omitted to provide any supplementary information on the facilitator: a crucial input into the Federation's decision-making process! You will appreciate that FICSA could not make a binding decision on participation until details of the facilitator were known. At first, FICSA gave ICSC the benefit of the doubt by allowing the Commission both time and opportunity to designate a facilitator. Regrettably, however, in the letter dated 2 July 1997 on the specific arrangements for the meeting scheduled five days later, the question of the availability and identity of the facilitator was once again left open. Given these constraints, the Executive Committee of FICSA was only able to react to the invitation at an extraordinary meeting on 6 July. It sent its response in written form on 7 July, the day the meeting was scheduled to start. That same day shortly before the start of the meeting itself, the President and the General Secretary of FICSA went to the meeting room and were as disappointed as the members designated by CCAQ to learn that the Commission had failed to identify a facilitator who would have lent the all-essential cohesion and impartiality to the working group.

In summary, not only had ICSC failed to provide a facilitator, but it had also not informed the participants at any stage of its failure, a lacuna that fundamentally changed the nature of the working group as agreed upon. As the provision of a facilitator was a paramount prerequisite for the Federation's participation, FICSA cannot help but believe that the late and inadequate announcement on the part of ICSC showed a lack of respect for a partner of equal standing who had been invited to participate in the deliberations.

CCAQ also remarked on the poor preparation of the working group. At its summer session in New York, CCAQ concluded that "ICSC should be invited to convene the Working Group at a later date and that in the period before then, all efforts be made to ensure, as foreseen in the terms of reference, that a facilitator be nominated with the approval of all parties concerned to assist in the process". All the above reasons were cited in a letter from the President of FICSA to the Vice-Chairman of the Commission dated 7 July. That letter had been merely annexed to the ICSC report. In so doing, not only has the Federation's reasoned decision been relegated to the back seat, but the

shortcomings of the Commission in this important issue have not been brought to the direct attention of the General Assembly.

Indeed, by way of contrast, what has been reported to the General Assembly is rather cynical. The authors of the report have chosen to speak solely of the efforts and expenses that could have been spared, had the staff federations submitted their requests for a postponement of the meeting "well in advance". This claim flies in the face of reason as FICSA was quite unable to request "well in advance" postponement of a meeting of which it had only received notification at a very late juncture. Under these circumstances, the report on "progress" on the consultative process is partial, biased and misleading.

FICSA is even more disappointed as the manner in which the Commission has chosen to proceed merely confirms what FICSA has repeatedly claimed in the past. Behaviour of this kind and the failure to make appropriate provisions is the root cause of the Federation's withdrawal. Once again the Commission has failed:

(a) To accommodate the Federation's needs, in this instance by not providing essential information in a timely and adequate manner;

(b) To reflect the Federation's arguments in a satisfactory manner;

(c) To provide essential technical services specified in the terms of reference of the Working Group.

All this hardly contributes to an improvement of the consultative process that the staff representatives have sought and - despite everything - still continue to seek.

In order to set the record straight, FICSA will circulate the present letter to the members of the Fifth Committee for their information.

Assuring the Fifth Committee of the Federation's unwavering commitment to the principles and objectives of the United Nations,

(Signed) Alvaro da Silva DURAO
for Walter P. Scherzer
President
Federation of International Civil
Servants' Associations

APPENDIX II

Security of locally recruited staff

1. In his report entitled "Renewing the United Nations: a programme for reform" (A/51/950), the Secretary-General of the United Nations emphasizes the need and proposes measures for delegating more authority and responsibility to managers in the field at various levels. The report, however, sins by omission on the issue of the security of working staff; it proposes no measure on that subject.

2. Delegating more authority and responsibility to the field is undoubtedly of crucial importance to the United Nations organizations being able to address effectively the challenges faced by the international community. Along with the delegation of authority and responsibility, the United Nations should, however, adopt measures to ensure the security of the staff responsible for implementing its activities in the field. This includes entrusting the designated official with the decision to relocate or evacuate the staff to areas outside the country in which the duty station is located.

3. Security of United Nations staff working in the field has been a burning issue for the past few years. This is attributable to the increasing number of conflicts, civil wars and other forms of unrest that expose staff to very serious risks.

4. The provisions aimed at protecting staff in the field are contained in the Field Security Handbook; however, not all staff enjoy the same degree of protection, the Handbook makes a very clear distinction between internationally recruited staff and locally recruited staff. In fact, the Handbook dedicates only one and a half pages (paras. 68-73) out of a total of 77 pages to the question of assisting locally recruited staff members.

5. Paragraph 73 of the Field Security Handbook stipulates:

> "All provisions within this Handbook which relate to relocation/evacuation from the host country for security reasons apply only in the most exceptional cases to locally recruited staff members. The provisions for relocation/evacuation outside the country in which the duty station is located and relevant compensation for relocation/evacuation may be applied to locally recruited staff members in only the most exceptional cases in which their security is endangered, or their property is lost or damaged as a direct consequence of their employment by United Nations organizations. A decision in this regard can only be made by the Secretary-General, as recommended by the United Nations Security Coordinator, based on a recommendation by the designated official."

6. This provision implies that on an exceptional basis locally recruited staff can be relocated/evacuated outside the country during phases 3, 4 and 5 only if they are in danger by virtue of their employment with United Nations organizations! However, the relocation/evacuation of the internationally recruited staff and their dependants from phase 3 onward is not linked to this

condition, but exclusively to the security situation in the duty station deteriorating to such a degree that their lives are in danger.

7. This pre-condition for the relocation/evacuation of locally recruited staff poses some problems. Indeed, how will one determine that the lives of locally recruited staff are in danger as a direct consequence of their employment with United Nations organizations (and who shall make that determination)? In Bukavu, in October, for example, the security of locally recruited staff members of the Office of the United Nations High Commissioner for Refugees (UNHCR) was clearly endangered by virtue of their employment with the United Nations. They were regularly accused by the local population, civil authorities and police of being, "traitors who sold out the country". They were also physically threatened and beaten, while their property was looted. Despite the United Nations officials in charge of security in Bukavu being aware of this situation, the locally recruited staff were not relocated or evacuated. By way of contrast, internationally recruited staff were rapidly evacuated and locally recruited staff were literally abandoned to their fate.

8. In most duty stations in the field (particularly in Africa), the fact that a person is employed by a United Nations organization constitutes a risk per se. In fact, given their professional and financial situation, local staff are potential targets and are more often than not victims of threats, burglaries and thefts. During a major crisis, local staff are often among the first to be attacked, because the local population (including attackers and looters) consider them privileged people with valuable belongings. Moreover, in certain situations, locally recruited staff are denounced, unjustly accused or killed by people who want to take their jobs or they are hounded for ethnic or tribal reasons (e.g., Rwanda and former Zaire).

9. This situation has never been taken fully into consideration by the United Nations system, even though in areas at risk, the lives and property of the locally recruited staff, nationals of the host country, are constantly under threat in view of the fact that they are employees of the United Nations system. This situation is made worse by the fact that, when they are victims of looting and all their property is lost (a frequent occurrence), they are not entitled to any compensation.

10. In general, the security plan contains very few measures covering the security of locally recruited staff who are not informed of the provisions of the plan. Invariably during major crises, it is every man for himself. Once the internationally recruited staff and the locally recruited staff who are non-nationals of the host country have departed, there is no one left to attend to the needs of the locally recruited staff who are nationals of the host country. This situation can have tragic consequences. In Rwanda during the genocide in 1994, several locally recruited staff members and their family members were killed. Others (about 30) were arrested and still languish in prison.

11. It is clear that this discrimination by the United Nations system in the context of staff security (often on the pretext that it has significant financial implications) raises serious human and moral concerns. In maintaining this practice, the United Nations systematically violates article 7 of the

Universal Declaration of Human Rights, which stipulates: "All are equal before the law and are entitled without any discrimination to equal protection of the law. All are entitled to equal protection against discrimination in violation of this Declaration and against any incitement to such discrimination".

12. It is imperative that the United Nations no longer creates the impression of an organization that applies double standards to the security of its staff and of a body more concerned about protecting the lives of only one category of its staff.

13. A first step has already been taken in the right direction. Locally recruited staff who are not nationals of the host country enjoy the same security measures as internationally recruited staff (such as the issuance of laissez-passer, relocation, evacuation of the staff members and their dependants and compensation for loss of property). It remains only for the United Nations to extend these measures to locally recruited staff who are nationals of the host country by updating the Field Security Handbook and making available adequate financial resources.

14. In the light of the above, FICSA would like to make the following proposals:

FICSA proposals to improve the security of locally recruited staff

1. Involve effectively locally recruited staff members (whether nationals or non-nationals of the host country) in the design and preparation of security plans. Keep all staff members informed about the measures to be taken in the event of a crisis.

2. Establish United Nations identification documents (laissez-passer and similar document) for all locally recruited staff members (whether nationals or non-nationals of the host country).

3. Apply the security measures contained in the Field Security Handbook (including those concerning relocation and evacuation) consistently to all staff members, it being understood that the first option for relocation would be location within the host country, whenever possible.

4. Be firm vis-à-vis the national authorities concerning the application of the Convention on the Privileges and Immunities of the United Nations to all United Nations system staff, including locally recruited staff who are nationals of the host country.

5. Decentralize the decision-making power concerning the relocation/evacuation of United Nations system staff, including locally recruited staff. This decision should be taken by the designated official, in consultation with the other United Nations agency heads in the host country.

6. Strengthen the human and financial resources of the office of the United Nations Security Coordinator, in order to enable it to face effectively the growing number of security problems in the field.

15. In this regard, FICSA recognizes the very difficult conditions under which the office of the United Nations Security Coordinator works and would like to pay special tribute to its rapid and effective action which, on many difficult occasions, has saved the lives of many of our colleagues.

16. Finally, FICSA declares its willingness to participate in and contribute to an in-depth discussion on ways of improving the security of all United Nations system staff.

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PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1998-1999

Office accommodation at the Palais Wilson

Report of the Secretary-General

I. INTRODUCTION

1. The present report provides detailed information on and seeks the concurrence of the General Assembly for the acceptance of the proposal of the Swiss Federal Council to place at the disposal of the United Nations accommodation known as the "Palais Wilson".

2. On 21 July 1997, the Swiss Federal Council provided official notification of its offer by a letter addressed to the Director-General of the United Nations Office at Geneva.

3. Under the conditions described in the letter, the building would be granted rent-free, initially for the period from 1998 to 2000, with the intention of maintaining that arrangement indefinitely. Further, while the building would be managed by the Fondation des immeubles pour les organisations internationales (FIPOI), which would be responsible for building and technical services installations (maintenance, renovation and repairs), the cost of those services would be paid by the United Nations Office at Geneva at a fixed rate of SwF 78 (or $54) per square metre per year. In addition, the letter indicated that the various modalities of utilization of the building would be established through a contractual agreement between the United Nations and FIPOI. This agreement is yet to be established to take into account practical and other arrangements regarding the proposed move of the Office of the United Nations High Commissioner for Human Rights to the Palais Wilson, which is still under discussion with the Swiss authorities.

4. The Palais Wilson contains sufficient space to provide for the accommodation and conference space needs of the Office of the High Commissioner.

Should the General Assembly approve the acceptance of the Palais Wilson from the Government of Switzerland, and all other arrangements are in place, it is anticipated that the building could be occupied by mid-April 1998. In addition, space at the Palais des Nations released by the move to the Palais Wilson would enable the rationalization and consolidation of existing operations within the Palais des Nations or the Geneva Executive Centre and, thereby, the closure of the Petit Saconnex annex.

II. FINANCIAL IMPLICATIONS

5. In the following discussion of the financial issues linked to the proposed move to the Palais Wilson, account has been taken of the expected absorption by the Swiss authorities of the one-time structural costs, provided that such costs remain within SwF 4 million, and the costs related to the maintenance for the biennium 1998-1999.

6. The financial implications are composed of two parts. Part A describes the total costs, both one-time and recurrent, and part B the proposed funding arrangements.

Part A. Total cost estimates

		1998-1999 (United States dollars)
1.	One-time costs	
	(a) Conference rooms and related equipment	1 500 000
	(b) Structural changes	400 000
	(c) Security-related changes	1 080 000
	(d) Information technology - active connectivity	180 000
	(e) Moving costs	150 000
	(f) Furniture	100 000
	Subtotal (1)	3 410 000
2.	Recurrent costs	
	(a) Staff costs	900 000
	(b) Transportation (shuttle bus)	100 000
	(c) Audio (conference equipment) technician	60 000
	(d) Maintenance (FIPOI)	930 000
	(e) Utilities	300 000
	(f) Cleaning	265 000
	(g) Telephone connection	85 000
	Subtotal (2)	2 640 000
	Grand total	6 050 000

One-time costs

7. Conference rooms and related equipment ($1,500,000). A conference room currently exists with a capacity of 100-120 delegates. In order to regroup a maximum number of meetings at the Palais Wilson, an additional two conference rooms are proposed: one with a seating capacity of 100-120 delegates and the other with a capacity of 60-80 delegates. Both conference rooms would be located on the first floor of the building. As concerns interpretation, the existing conference room on the ground floor is equipped with six interpreter booths. In view of space considerations, it is envisaged that the two additional rooms would operate via remote interpretation from the Palais des Nations.

8. Structural changes ($400,000). A number of structural changes to the existing layout have been identified with regard to connecting doors between offices and related areas.

9. Security-related changes ($1,080,000). Both structural changes and additional security equipment are proposed. As concerns structural modifications estimated at $830,000, these would involve outside fencing (on the lake side), reinforcement of window panes and shutters on the ground floor and a reception/checking/clearance area at the entrance to the building. In connection with the installation of additional security equipment estimated at $250,000, these would include cameras, metal detectors and a link to the United Nations Office at Geneva central control centre.

10. Information technology - active connectivity ($180,000). Although connections and plugs are in place within the building, actual connectivity to the data network at the Palais des Nations would need to be installed.

11. Moving costs ($150,000). Resources are required for moving and related costs (packing) from the current premises at the Palais des Nations.

12. Furniture ($100,000). The provision is for the purchase of a limited amount of furniture as it is the intention to utilize the existing furniture to the extent possible. In addition, the provision would cover the cost of the refurbishment of some of the existing furniture as necessary.

Recurrent costs

13. Recurrent operating costs estimated for the biennium 1998-1999 would amount to $2,640,000. These costs have been estimated on the basis of occupation of the building as of 1 May 1998, that is, for 20 months of the biennium 1998-1999.

14. Staff costs ($900,000). In view of the need to provide security for the premises on a 24-hour, 7-day basis, general temporary assistance for the equivalent of nine security officers would be necessary. No provision is made for messenger services, as the Division of Administration intends to reorganize its existing messenger services to accommodate the needs at the Palais Wilson.

15. Transportation - shuttle bus ($100,000). A shuttle bus would need to operate on a full-time basis between the Palais des Nations and the Palais

Wilson. The resources indicated would provide for the leasing of an appropriate vehicle and accompanying driver.

16. Audio (conference equipment) technician ($60,000). The level of resources would provide for a full-time technician to service the three conference rooms continuously.

17. Maintenance - FIPOI ($930,000). As indicated in paragraph 3, the building is provided on a rent-free basis. However, the United Nations would be required to make payment amounting to SwF 78 (or approximately $54) per square metre per year for building maintenance to be undertaken by FIPOI.

18. Utilities ($300,000). The estimated level of resources is based on the experience of the United Nations Office at Geneva and discussions with FIPOI on utilities costs for similarly sized buildings.

19. Cleaning ($265,000). Two cleaning options are being considered: an extension of the present contract or the selection of a company after a separate bidding process. Nonetheless, based on the existing pattern of expenditures at the United Nations Office at Geneva, cleaning requirements are estimated to amount to $265,000.

20. Telephone connection ($85,000). Resources would be required to install and maintain connectivity at the Palais Wilson with the existing system at the United Nations Office at Geneva. The costs have been estimated by Swiss Telecom at SwF 6,000 (or approximately $4,200) per month.

Part B. Funding arrangements

21. Of the total estimated cost of $6,050,000 for the move to the Palais Wilson, it is expected that the Swiss authorities would cover a number of the one-time costs amounting to $2,990,000, as well as the maintenance costs for the biennium 1998-1999 amounting to $930,000. The maintenance costs would, however, represent expenditures to be included in future proposed programme budgets of the Organization. The balance of the costs for the biennium 1998-1999 amounting to $2,130,000 would be borne by the closure of the Petit Saconnex building and by new tenants occupying space released by the movement of staff to the Palais Wilson. The proposed contribution of the Government of Switzerland together with the distribution of the costs to be absorbed by the United Nations, are detailed in the table below.

22. With regard to the closure of the Petit Saconnex building to be initiated concurrently with the move to the Palais Wilson, resources originally intended for the Petit Saconnex would be utilized to cover the costs related to the Palais Wilson. The estimated level of resources to be transferred in this connection for the biennium 1998-1999 would amount to $705,000 broken down as follows:

(a) $300,000 for staff costs associated with three staff (two security officers and one messenger);

(b) $45,000 representing the current level of rent;

(c) $150,000 for utilities (electricity, water, fuel);

(d) $170,000 for cleaning;

(e) $40,000 for telephone lines.

III. SUMMARY AND CONCLUSION

23. The total cost of the move to the Palais Wilson building, which is to be provided on a rent-free basis initially for the period from 1998 to 2000 by the Government of Switzerland, would amount to $6,050,000, of which $3,920,000 is to be covered by the Swiss authorities and the balance of $2,130,000 from existing and projected resources of the Organization. In this connection, no additional resources are requested for the biennium 1998-1999. However, recurrent costs associated with the maintenance and operation of the building would be reflected in the proposed programme budget for Administration, Geneva.

24. Bearing in mind the needs of the Organization, the General Assembly may wish to approve the Secretary-General's proposal to accept the offer of the Swiss authorities of the Palais Wilson building. The Secretary-General is of the view that it is unlikely that the Organization would be able to locate comparable space in close proximity to the Palais des Nations at the cost currently estimated for the move to the Palais Wilson.

Estimated costs for the biennium 1998-1999

	1998-1999 estimates	Contribution from the Government of Switzerland[a]	United Nations resources[b]
One-time costs			
Additional conference room	1 500 000	(1 500 000)	0
Structural changes	400 000	(400 000)	0
Security (structural)	830 000	(830 000)	0
Security (equipment)	250 000	(110 000)	(140 000)
Active connectivity IT	180 000	0	(180 000)
Moving costs	150 000	(150 000)	0
Furniture	100 000	0	(100 000)
Subtotal	3 410 000	(2 990 000)	(420 000)
Recurrent costs			
9 staff (temporary assistance funds)	900 000	0	(900 000)
Transportation (outsourced)	100 000	0	(100 000)
Audio technician (outsourced)	60 000	0	(60 000)
Maintenance	930 000	(930 000)	0
Utilities (water/electricity/heating)	300 000	0	(300 000)
Cleaning	265 000	0	(265 000)
Telephone (connection)	85 000	0	(85 000)
Subtotal	2 640 000	(930 000)	(1 710 000)
Total	6 050 000	(3 920 000)	(2 130 000)

[a] The Swiss authorities are actively pursuing the possibility of absorbing these costs.

[b] To be absorbed through redeployment of existing and projected United Nations resources and contribution from extrabudgetary operation occupying the space vacated by the Office of the United Nations High Commissioner for Human Rights.

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Letter dated 14 November 1997 from the President of the General Assembly addressed to the Chairman of the Fifth Committee

I have the honour to draw to your attention, for appropriate action by your Committee, to General Assembly resolution 52/12, entitled "Renewing the United Nations: a programme for reform", which was adopted by the Assembly at its forty-ninth plenary meeting, on 12 November 1997.

(Signed) Hennadiy UDOVENKO

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PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1998-1999

THE SITUATION IN CENTRAL AMERICA: PROCEDURES FOR THE ESTABLISHMENT OF A FIRM AND LASTING PEACE AND PROGRESS IN FASHIONING A REGION OF PEACE, FREEDOM, DEMOCRACY AND DEVELOPMENT

United Nations Verification Mission in Guatemala

Programme budget implications of draft resolution A/52/L.19

Statement submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly

A. Requests contained in the draft resolution

1. By operative paragraphs 1, 4, 6 and 8 of draft resolution A/52/L.19, entitled "United Nations Verification Mission in Guatemala", the General Assembly would:

(a) Take note with satisfaction of the report of the Secretary-General on the United Nations Verification Mission in Guatemala (MINUGUA) (A/52/554);

(b) Call upon the parties to continue to implement the commitments they entered into in the Comprehensive Agreement on Human Rights and those in the other peace agreements, in particular, those contained in the second phase of the Implementation, Compliance and Verification Timetable for Peace Agreements;

(c) Decide, in accordance with the recommendations of the Secretary-General, and in order to provide for adequate administrative and financial planning of the Mission within the proposed programme budget for the biennium 1998-1999, to authorize the renewal of the mandate of the Mission within the proposed programme budget for the biennium 1998-1999 and to authorize the renewal of the mandate of the Mission beyond 31 March 1998 until

31 December 1999, subject to regular progress reports on the implementation of the peace agreements;

(d) Request the Secretary-General to keep the General Assembly fully informed on the implementation of the resolution.

B. Relationship of the proposed requests to the medium-term plan for the period 1998-2001

2. The above requests relate to subprogramme 1.1, Prevention, control and resolution of conflicts, of programme 1, Political affairs, of the medium-term plan for the period 1998-2001 (A/51/6/Rev.1 and Rev.1/Corr.1).

C. Activities by which the proposed requests would be implemented

3. Under the terms of draft resolution A/52/L.19, the mandate of MINUGUA would be extended for a further period of 21 months, namely, through 31 December 1999. As indicated in paragraph 2 of the report of the Secretary-General (A/52/554), the package of agreements signed by the Government of Guatemala and the Unidad Revolucionaria Nacional Guatemalteca (URNG) included detailed commitments on political, legislative, social, economic, agrarian, indigenous, military and public security issues, which were bound together into a national peace agenda. Consistent with the parties' requests in all the agreements signed since January 1994, it was stressed in the Agreement on the Implementation, Compliance and Verification Timetable for the Peace Agreements (A/51/796-S/1997/114, annex I) that international verification was essential to the implementation process and to strengthening confidence in the consolidation of peace. Thus, the parties requested that all the signed agreements be verified by an expanded MINUGUA; that the Mission's functions should also comprise good offices and advisory and public information activities; and that the duration of its mandate should be the same as that of the timetable, namely, four years, from 1997 to 2000.

4. Should the General Assembly decide to adopt draft resolution A/52/L.19, the Mission would verify the third phase of the implementation timetable, which includes the implementation of the recommendations of the commissions already established, and the promotion of broad legislative reform on issues such as the Penal Code, the administration of justice, land tenure and the multi-ethnic, multicultural and multilingual nature of Guatemala.

D. Structure of the Mission

5. It will be recalled that the General Assembly, in its resolution 51/198 B of 27 March 1997, requested the Secretary-General to submit a report to the Assembly with his recommendations on the structure and staffing of the Mission after 31 March 1998. In the implementation of that resolution, the structure, staffing and operational requirements of the Mission have been assessed, taking into account the experience gained since the peace agreements were signed, in order to ensure that the structure, personnel and the administrative and

logistical capacity of MINUGUA adequately meet the demands of the verification process.

6. As outlined in paragraphs 11 and 12 of the report of the Secretary-General, adjustments would need to be made to the Mission's staffing and regional deployment during the biennium 1998-1999 in order to strengthen its capacity to coordinate its work, attract and retain highly qualified staff, ensure an adequate geographical coverage of the country and address all the substantive areas of verification in compliance with its mandate and ensure adequate liaison with other international institutions and bodies. These adjustments are indicated below.

Office of the Deputy Chief of Mission/Field Coordinator

7. The Office of the Field Coordinator currently consists of the Field Coordinator (at the D-1 level), who also acts as the Deputy Chief of Mission, his assistant (P-2), one United Nations Volunteer and support staff (one at the Field Service level and two Local level staff). The position of Assistant to the Deputy Chief of Mission/Field Coordinator, at the P-2 level, is too junior to accommodate a Professional with the level of experience required for the functions performed, which include coordinating the activities of the regional offices and serving as liaison with the heads of the verification areas. It is, further, intended to rotate the staff among regional coordinators as a contribution to strengthening communications between headquarters and regional offices. It is therefore proposed to eliminate the P-2 position and to replace it with one at a level equivalent to that of the coordinators of the regional offices, namely, the P-4 level.

Regional offices and suboffices

8. The current field structure of MINUGUA consists of eight regional offices (Guatemala City, Quetzaltenango, Quiché, Huehuetenango, Cobán, Petén, Sololá and Zacapa) and six regional suboffices (Escuintla, San Marcos, Nebaj, Barillas, Cantabal and Poptun).

9. The Mission's greatest strength lies in its regional structure, which has enabled it to build confidence in the peace process, particularly in the areas that were affected by the armed conflict. This presence becomes even more valuable in the fulfilment of its enlarged mandate, since the Mission is working to encourage all sectors of Guatemalan society, in particular those in the traditionally neglected rural areas, to embrace the peace agreements. In order to fulfil those tasks, the Mission's regional presence needs to be strengthened in terms of the expertise required to verify the entire scope of the agreements and in order to have the ability to cover large geographical areas that are difficult to access.

10. Although the structure of regional offices and suboffices need not be significantly altered, it is proposed to establish two regional suboffices in Fray Bartolomé de las Casas and Chimaltenango in order to cover verification and good offices activities in the departments of Alta Verapaz and Chimaltenango, respectively.

11. Fray Bartolomé de las Casas is a major settlement in a geographically isolated area. The closest MINUGUA office is four to five hours away in Cobán.

the capital of Alta Verapaz. The challenges of peace-building in the area are particularly significant, owing to the presence of former counter-insurgency patrols, demobilized URNG combatants and numerous communities of displaced people. Chimaltenango is the capital of the furthest removed of the three departments currently covered from the regional office at Sololá. It is an area deeply affected by the armed conflict and the number of human rights cases is consistently high. Both local authorities and civil society organizations have repeatedly requested that the Mission maintain a permanent presence in the area.

12. The establishment of these two suboffices would require a corresponding increase of two political officers at the P-3 level - one in each of the suboffices - to head the offices, and the corresponding support staff at the Local level (four for each office).

13. Besides the setting up of these suboffices, it is proposed to establish small premises for two mobile verification teams. The first one would be located in the town of Jutiapa and would be administered and staffed from the regional office at Guatemala City; the other would be located in the town of Coatepeque and would be administered and staffed from the regional suboffice in San Marcos.

14. Owing to distance and adverse road conditions, verification teams are currently unable to carry out their verification activities effectively in these two areas. Visits are of necessity brief, since security regulations demand that MINUGUA teams return to their base offices before sundown. Dispatching mobile teams to these locations for two to three days at a time would allow the Mission to improve the quality and quantity of its visits to many communities. Under the current arrangements, those visits are too sporadic. While staffing would be provided from the regional office administering the mobile teams, six additional local staff (interpreters and drivers) would be required (three in each of the mobile teams).

15. With regard to the personnel of the regional offices, the assessment pointed to a disproportionate ratio of United Nations Volunteers to United Nations staff members. Volunteers constitute 80 per cent of the regional civilian staff. The Volunteers, through their dedication and hard work, have made and continue to make a remarkable contribution to MINUGUA. However, experience shows that they tend to move to other missions or to more permanent positions once they have gained expertise in MINUGUA. In order to offset that turnover, regional offices require a stronger core of experienced United Nations staff with a solid background in field work.

16. With a view to meeting those needs, the following changes are proposed:

(a) In each of the eight regional offices, one United Nations Volunteer position would be replaced by a United Nations staff position at the P-3 level;

(b) In each of the eight regional suboffices, including the two new suboffices being proposed, one United Nations Volunteer position would be replaced by a United Nations staff position at the P-2 level.

Accordingly, requirements for United Nations Volunteers would be reduced by 16, namely, from 106 Volunteers to 90, and offset by a corresponding increase of 8 United Nations staff at the P-3 level and 8 at the P-2 level.

Verification areas

17. The Mission's verification areas consist of the following: human rights; indigenous affairs; social, economic and agrarian aspects; strengthening of civilian power; and resettlement and integration. These verification areas basically correspond to the substantive peace agreements. The chiefs of verification areas are currently at the P-5 level. Experience to date has shown that, at that level, the Mission has difficulty in attracting or retaining staff with the required expertise. In view of this and given that the government counterparts of the chiefs of area are at ministerial level, it is proposed that the five verification areas be headed at the D-1 level.

18. As suggested in the report of the Secretary-General, cooperation with other international human rights institutions and bodies, including the Office of the United Nations High Commissioner for Human Rights, the Commission on Human Rights and its subsidiary bodies, should be strengthened. It is proposed, therefore, to increase the human rights verification area by a staff member at the P-4 level to ensure such coordination and cooperation, including an additional support staff member at the Local level. The existing support staff in the human rights verification area consists of two international General Service staff, who are responsible for maintaining the central database on human rights cases, and three support staff for the existing six Professionals in the Office.

Office of the Spokesperson and Office of Public Information

19. The Spokesperson's Office and the Office of Public Information are each headed by a chief at the P-5 level with a staff of five international Professional staff (two P-5, two P-3 and one P-2) and one local Public Information Officer at the P-2 level. These Offices have been merged into a single Office, headed by the Spokesperson at the P-5 level. It is accordingly proposed that the position of the staff member responsible for public information activities be at the P-4 level instead of P-5.

20. Much effort has been devoted to education and information as part of the Mission's mandate to inform the general public about the peace accords. However, the past eight months since the signing of the accords have shown that lack of knowledge and understanding of the latter is still widespread. The parties and the Mission are to carry out a more vigorous campaign in that respect. For that purpose, it is proposed that eight national officers be recruited to perform the function of Public Information Officers in each of the regional offices. The local Professionals' understanding of Guatemalan customs, traditions and attitudes would be invaluable.

Civilian police observers

21. It will be recalled that, when MINUGUA was established in 1994, the authorized strength for its civilian police observers was 53. After the signing of the peace accords, the number was reduced to 38, in the expectation that human rights verification would require a smaller number of police observers. The Mission's activities relating to the creation of the new civilian police, in the context of a deteriorating public security situation, has made new demands on the police component. Thirteen more police observers are therefore required

to participate in both verification and institution-building activities, bringing the number of observers for the next mandate period to 51.

Military liaison officers

22. The authorized strength of military liaison officers is 17. Owing to the expanded mandate in MINUGUA activities called for in General Assembly resolution 51/198 B, a number of the military liaison officers have been reassigned to the verification areas on resettlement and integration and on the strengthening of civilian power. In order to maintain the indispensable military expertise at the Mission's headquarters and to ensure its availability in the regional offices and suboffices, an increase of three military liaison officers is proposed.

Summary

23. The net effect of the proposals contained in paragraphs 5 to 22 above would result in the following additional staffing, including military and police personnel. Details are contained in the table below:

(a) The number of military liaison officers would be increased by 3, for a total of 20;

(b) The number of police observers would be increased by 13, for a total of 51 for the next mandate period;

(c) The five verification areas would be headed by staff at the D-1 level in lieu of the current arrangements, where they are at the P-5 level;

(d) The staff member responsible for public information activities would be at the P-4 level instead of P-5;

(e) The Assistant to the Deputy Chief of Mission/Field Coordinator would be at the P-4 level instead of the current P-2 level;

(f) A new P-4 position would be added in order to strengthen the human rights verification area to be supported by a staff member at the Local level;

(g) Eight United Nations Volunteers in the regional offices would be replaced by United Nations staff at the P-3 level. Similarly, six United Nations Volunteers in regional suboffices would be replaced by United Nations staff at the P-2 level and two of the Volunteers expected to staff the new regional suboffices in Fray Bartolomé and Chimaltenango would be replaced by United Nations staff at the P-2 level;

(h) Eight national officers would be recruited - one for each of the regional offices - to serve as Public Information Officers;

(i) Seven international staff (two in the Field Service category and five in the General Service category) would be replaced by Local level staff;

(j) Fourteen Local level positions would be added to support the new regional suboffices and mobile teams, as well as the strengthened substantive and administrative offices.

Table. Required number and level of staff

	D-2	D-1	P-5	P-4	P-3	P-2	Subtotal	FS	GS	Subtotal	International staff Total	National P-3	National P-2	National Subtotal	GS local	Total local staff	UNV
Office of the Director of Mission	1	-	-	2	-	2	5	-	1	1	6	-	-	-	4	4	-
Verification areas																	
Human rights	-	1	-	3	2	1	7	-	2	2	9	-	-	-	4	4	1
Indigenous affairs	-	1	-	2	1	-	4	-	1	1	5	1	-	1	2	3	1
Social, economic and agrarian aspects	-	1	-	2	1	-	4	-	1	1	5	1	-	1	2	3	1
Strengthening of civilian power	-	1	-	2	1	1	5	-	1	1	6	-	-	-	5	5	1
Resettlement and Integration	-	1	-	1	-	-	2	-	1	1	3	1	-	1	1	2	-
Ceasefire	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Office of the Field Coordinator	-	1	-	1	-	-	2	-	1	1	3	-	-	-	2	2	-
Subtotal	1	6	-	13	5	4	29	-	8	8	37	3	-	3	20	23	4
Regional offices																	
Regional coordinators	-	-	-	8	8	-	16	-	8	8	24	-	-	-	91	91	85
Political Affairs/Operations Officer	-	-	-	-	17	8	25	-	-	-	25	-	-	-	-	-	-
Public information liaison	-	-	-	-	-	-	-	-	-	-	-	-	8	8	-	8	-
Subtotal	-	-	-	8	25	8	41	-	8	8	49	-	8	8	91	99	85
Other support offices																	
Senior military liaison	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	1	-
Senior police liaison	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	1	-
Spokesperson/Public Information Office	-	-	1	1	2	1	5	-	1	1	6	-	1	1	4	5	1
Legal Office	-	-	1	-	1	-	2	-	-	-	2	-	-	-	1	1	-
Technical Cooperation Office	-	-	1	1	-	-	2	-	-	-	2	-	-	-	3	3	-
Public information	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Administration	-	1	1	3	6	-	11	10	24	34	45	-	-	-	96	96	-
Subtotal	-	1	4	5	9	1	20	10	25	35	55	-	1	1	106	107	1
Total staff required	1	7	4	26	39	13	90	10	41	51	141	3	9	12	217	229	90
Staff previously authorized	1	2	10	23	29	6	71	12	46	58	129	3	1	4	195	199	106
Additional required	-	5	(6)	3	10	7	19	(2)	(5)	(7)	12	-	8	8	22	30	(16)

E. Estimated requirements of MINUGUA for the period 1 April 1998 to 31 December 1999

24. The estimated costs of the extension of the mandate of MINUGUA until 31 December 1999, that is, for an additional period of 21 months, are estimated at $61,815,100, net of staff assessment (or $66,654,800 gross). Details of the cost estimates are contained in annex I below. Non-recurrent requirements, estimated at $4,652,900 are described in detail in annex II; and supplementary information on the cost estimates for the next mandate period, including the mission-specific cost parameters, are contained in annex III. Information on the use of extrabudgetary resources and the role of United Nations agencies in the Guatemalan peace process and MINUGUA coordination and cooperation with those agencies is contained in annex IV. Organigrams showing the approved staffing for the period from 1 April 1997 to 31 March 1998 and the proposed staffing for the period from 1 April 1998 to 31 December 1999 appear in annex V.

F. Contingency fund

25. As the activities relating to MINUGUA are of an extraordinary nature they should continue to be dealt with, as was done on previous occasions, outside the procedures related to the contingency fund, as provided for in paragraph 11 of annex I to General Assembly resolution 41/213 of 19 December 1986.

G. Action required by the General Assembly

26. No provision has been made in the proposed programme budget for the biennium 1998-1999 under section 3, Peacekeeping operations and special missions, for the activities of MINUGUA from 1 April 1998 to 31 December 1999. Should the General Assembly adopt draft resolution A/52/L.19, an additional appropriation of $61,815,100 would be required under section 3 of the proposed programme budget. An additional appropriation of $4,839,700 would also be required under section 32, Staff assessment, to be offset by a corresponding amount under income section 1, Income from staff assessment.

Annex I

COST ESTIMATES FOR THE PERIOD FROM
1 APRIL 1998 to 31 DECEMBER 1999

(Thousands of United States dollars)

	Prior period 1 April 1997-31 March 1998 (1)	1 April 1998 to 31 December 1999		
		Total costs (2)=(3)+(4)	Non-recurrent costs (3)	Recurrent costs (4)
1. Military personnel costs				
(a) Military observers				
Mission subsistence allowance	527.0	1 065.4		1 065.4
Travel costs	72.0	63.0		63.0
Clothing and equipment allowance	4.4	8.0		8.0
Subtotal	603.4	1 136.4		1 136.4
(b) Other costs pertaining to military personnel				
Contingent-owned equipment				
Death and disability compensation	51.0	60.0		60.0
Subtotal	51.0	60.0		60.0
Total, line 1	654.4	1 196.4		1 196.4
2. Civilian personnel costs				
(a) Civilian police				
Mission subsistence allowance	1 264.3	2 716.4		2 716.4
Travel costs	120.0	159.0		159.0
Clothing and equipment allowance	10.8	20.4		20.4
Subtotal	1 395.1	2 895.8		2 895.8
(b) International and local staff				
International staff salaries	8 183.3	15 614.3		15 614.3
Local staff salaries	1 624.0	4 362.4		4 362.4
Consultants				
Overtime				
Common staff costs	4 838.1	7 192.7		7 192.7
Mission subsistence allowance	3 918.8	7 454.0		7 454.0
Other travel costs	139.5	296.2		296.2
Subtotal	18 703.7	34 919.6		34 919.6

	Prior period 1 April 1997-31 March 1998 (1)	1 April 1998 to 31 December 1999		
		Total costs (2)=(3)+(4)	Non-recurrent costs (3)	Recurrent costs (4)
(c) International contractual personnel	–	–		–
(d) United Nations Volunteers	5 342.4	7 938.0		7 938.0
Subtotal	5 342.4	7 938.0		7 938.0
Total, line 2	25 441.2	45 753.4		45 753.4
3. Premises/accommodation				
Rental of premises	615.1	1 224.5		1 224.5
Alteration and renovation of premises	291.4	140.0		140.0
Maintenance supplies	37.5	83.1		83.1
Maintenance services	89.4	117.5		117.5
Utilities	106.2	287.1		287.1
Security and cleaning services	367.3	1 173.5		1 173.5
Total, line 3	1 506.9	3 025.7		3 025.7
4. Transport operations				
Purchase of vehicles		3 875.5	3 875.5	
Rental of vehicles	11.1	21.4		21.4
Workshop equipment	264.9	8.8		8.8
Spare parts, repairs and maintenance	128.4	826.8		826.8
Petrol, oil and lubricants	254.2	529.8		529.8
Insurance	32.9	55.7		55.7
Total, line 4	691.5	5 318.0	3 875.5	1 442.5
5. Air operations				
(a) Helicopter operations				
Hire/charter costs	900.0	2 341.5		2 341.5
Aviation fuel and lubricants				
Positioning/depositioning costs				
Painting/preparation				
Liability and war-risk insurance				
Subtotal	900.0	2 341.5		2 341.5
(b) Fixed-wing aircraft				
Hire/charter costs	425.3	820.3		820.3
Aviation fuel and lubricants				
Liability and war-risk insurance	140.0	168.0		168.0
Subtotal	565.3	988.3		988.3

	Prior period 1 April 1997-31 March 1998 (1)	1 April 1998 to 31 December 1999		
		Total costs (2)=(3)+(4)	Non-recurrent costs (3)	Recurrent costs (4)
(c) Aircrew subsistence allowance				
(d) Other air operation costs				
Air traffic control services and equipment				
Landing fees and ground handling				
Fuel storage containers				
Subtotal				
Total, line 5	1 465.3	3 329.8		3 329.8
6. Communications				
(a) Complementary communications				
Acquisition of communications equipment		158.7	158.7	
Spare parts, supplies and maintenance	156.0	306.5		306.5
Workshop and test equipment				
Commercial communications	322.0	524.5		524.5
Subtotal	478.0	989.7	158.7	831.0
(b) Main trunking contract				
Total, line 6	478.0	989.7	158.7	831.0
7. Other equipment				
Office furniture		50.6	50.6	
Office equipment		34.5	34.5	
Data-processing equipment		459.9	459.9	
Other equipment		73.7	73.7	
Spare parts, repairs and maintenance	216.0	188.7		188.7
Total, line 7	216.0	807.4	618.7	188.7
8. Supplies and services				
(a) Miscellaneous services				
Contractual services				
Medical treatment and services	7.2	27.3		27.3
Official hospitality	8.4	14.7		14.7
Miscellaneous other services	105.6	201.9		201.9
Subtotal	121.2	243.9		243.9

	Prior period 1 April 1997-31 March 1998 (1)	1 April 1998 to 31 December 1999		
		Total costs (2)=(3)+(4)	Non-recurrent costs (3)	Recurrent costs (4)
(b) Miscellaneous supplies				
Stationery and office supplies	49.2	94.5		94.5
Medical supplies	24.0	14.7		14.7
Sanitation and cleaning materials	19.2	16.8		16.8
Subscriptions	8.4	16.8		16.8
Electrical supplies	14.4	84.0		84.0
Electronic data-processing supplies	39.6	77.7		77.7
Miscellaneous other supplies	89.7	134.4		134.4
Subtotal	244.5	438.9		438.9
Total, line 8	365.7	682.8		682.8
9. Public information programmes				
Audio-visual production		260.0		260.0
Publications		100.0		100.0
Promotion		42.7		42.7
Contractual services	320.0	200.0		200.0
Total, line 9	320.0	602.7		602.7
10. Training programmes				
11. Air and surface freight				
Commercial freight and cartage	60.0	109.2		109.2
Other				
Total, line 11	60.0	109.2		109.2
12. Programme support				
13. Staff assessment	2 447.9	4 839.7		4 839.7
Total, lines 1-13	33 646.9	66 654.8	4 652.9	62 001.9
14. Income from staff assessment	2 447.9	4 839.7		4 839.7
Net requirements	31 199.0	61 815.1	4 652.9	57 162.2
15. Voluntary contributions	2 523.1	10 869.0		10 869.0
Total resources	33 722.1	72 684.1	4 652.9	68 031.2

Annex II

Requirements for non-recurrent costs

(Thousands of United States dollars)

	Current inventory (1)	Replacement (2)	Additional (3)	Total number of units (4)=(2)+(3)	Unit cost (5)	Total cost (6)=(4)x(5)
1. Military personnel costs					-	-
2. Civilian personnel costs					-	-
3. Premises/accommodation					-	-
4. Transport operations						
Purchase of vehicles						
Jeep, light, 4x4	150	101	-	101	22.00	2 222.0
Sedan, light	46	45	-	45	15.00	675.0
Sedan, medium	5	5	-	5	18.00	90.0
Sedan, heavy	1	1	-	1	23.00	23.0
Bus, light	9	9	-	9	20.00	180.0
Truck, pick-up, light	10	10	-	10	18.00	180.0
Ambulance	1	-	-	-	-	-
Armoured vehicle, 4x4	1	-	-	-	-	-
Subtotal	223	171	-	171		3 370.0
Freight at 15 per cent						505.5
Subtotal plus freight						3 875.5
Provided through surplus stock/missions						-
Freight charges for shipment from other missions						-
Total, line 4	223	171	-	171		3 875.5
5. Air operations						-
6. Communications						
Complementary communications						
Communications equipment						
UHF equipment						
Base station, general	68	24	-	24	2.00	48.0
Mobile radio, general	267	20	-	20	1.50	30.0
Mobile Spectra UHF			20	20	1.50	30.0
Portable radio, general	434	-	-	-		-
Mobile UHF GP300			95	95	0.50	47.5
Repeater, general	40	-	-	-		-
Antenna, colinear, delta loop	81	-	-	-		-
VHF equipment						
Base station, general	10	-	-	-		-
Mobile station, general	47	-	-	-		-
Antenna, vertical whip	20	-	-	-		-

	Current inventory (1)	Replacement (2)	Additional (3)	Total number of units (4)=(2)+(3)	Unit cost (5)	Total cost (6)=(4)x(5)
Satellite equipment						
INMARSAT M	5	-	-	-		-
Earth station, VSAT, 3.7-mts.	1	-	-	-		-
Global satellite positioning	3	-	-	-		-
Airlink system	2	-	-	-		-
Satellite telephone system (Marinesat)			10	10	3.00	30.0
Telephone equipment						
Telephone exchange, 200 lines	2	1	-	1	50.00	50.0
Telephone exchange, 32 lines	14	-	-	-		-
Telephone exchange, 16 lines	3	-	-	-		-
Telephone exchange, 64 lines	1	-	-	-		-
Voice mail system	2	-	-	-		-
Rural telephone links	5	-	-	-		-
Telephone, cellular	15	-	18	18	0.15	2.7
Telephone sets	628	60	-	60	0.20	12.0
Digital microwave link	-	-		-		-
Miscellaneous equipment						
Cryptofax machines	2	-	-	-		-
Facsimile machines (heavy)		4	-	4	2.00	8.0
Facsimile machines (plain)	28		10	10	0.60	6.0
Solar panels	14	-	6	6	0.70	4.2
Batteries (S2000)	252	-	-	-		-
Battery charger, heavy-duty	4	-	4	4	0.20	0.8
Power supply investor			6	6	0.50	3.0
UPS, 7.5 KW	2	-	-	-		-
UPS, 4.3 KW	1	-	-	-		-
Subtotal, communications equipment	1 951	109	169	278		272.2
Freight at 15 per cent						40.8
Subtotal plus freight						313.0
Provided through surplus stock						139.4
Freight charges for shipment from other missions						14.9
Total, line 6	1 951	109	169	278		158.7
7. Other equipment						
(a) Office furniture						
Desks	111	20	10	30	0.20	6.0
Chairs	457	150	40	190	0.10	19.0
Filing cabinets	123	25	15	40	0.10	4.0
Safe, metal, combination	1	-	-	-	-	-
Shelves	71	-	-	-	-	-
Dining table, 8 places				-	0.05	-

	Current inventory (1)	Replacement (2)	Additional (3)	Total number of units (4)=(2)+(3)	Unit cost (5)	Total cost (6)=(4)x(5)
Shredding machines	20	-	-	-	-	-
Computer tables	60	20	15	35	0.20	7.0
Tables (conference and folding)	65	15	1	16	0.50	8.0
Televisions	22	-	-	-		-
Subtotal	930	230	81	311		44.0
Freight at 15 per cent						6.6
Subtotal plus freight						50.6
Provided through surplus stock						-
Subtotal, line 7 (a)	930	230	81	311		50.6
(b) Office equipment						
Lens camera, 135 mm	3	-	-	-		-
Metal detector	4	-	-	-		-
Overhead projector	13	-	-	-		
Photocopy machine	19	3	3	6	5.50	30.0
Polaroid camera, ID system	6	-	-	-		-
Portable tape recorder	1	-	-	-		-
Typewriter, electronic	45	-	-	-		-
Video camera, cassette record and edit	21	-	-	-		
Subtotal	112	3	3	6		30.0
Freight at 15 per cent						4.5
Subtotal plus freight						34.5
Provided through surplus stock/missions						-
Freight charges for shipment from other missions						
Subtotal, line 7 (b)	112	3	3	6		34.5
(c) Other equipment						
Air-conditioning, window type	13	3	34	37	0.70	24.9
Air-conditioning, split system	12	-	-	-		-
Generators	61	10	-	10	6.20	62.0
Microwave	1	-	6	6	0.20	1.2
Mobile house on trailer, 24x25x10	4	-	-	-		-
Oxygen bottle, medical	1	-	-	-		-
Refrigerator	1	-	6	6	0.70	4.2
Scrubbing/waxing machine	1	-	-	-		-
Water cooling unit	30	-	-	-		-
Subtotal	124	13	46	59	7.80	93.3
Freight at 15 per cent						14.0
Subtotal plus freight						107.3

	Current inventory (1)	Replacement (2)	Additional (3)	Total number of units (4) = (2) + (3)	Unit cost ($)	Total cost (5) = (4) x ($)
Provided through surplus stock/missions						29.2
Freight charges for shipment from other missions						4.4
Subtotal, line 7 (c)	124	13	46	59		73.7
(d) Data processing equipment						
CD writer	-	-	2	2	0.80	1.6
Compaq server	4	2	-	2	20.00	40.0
Document imaging	-	-	1	1	12.00	12.0
Filing system	1	-	-	-	-	-
Matrix	3	-	-	-	-	-
Microcomputer systems	343	96	35	131	2.50	327.5
Microcomputer systems (desktop)			15	15	1.70	25.5
Modems	49	-	-	-	-	-
Monitors	248	-	-	-	-	-
Network printer	1	-	2	2	0.90	1.8
Printers	241	11	15	26	0.50	13.0
Scanner	2	-	4	4	1.00	4.0
Subtotal	887	104	74	183		425.4
Freight at 15 per cent						63.8
Subtotal plus freight						489.2
Provided through surplus stock/missions						25.5
Freight charges for shipment from other missions						3.8
Subtotal, line 7 (d)	886	109	74	183		459.9
Total, line 7	2 055	255	204	559		928.7
8. Supplies and services				-		-
9. Public information programmes				-		-
10. Training programmes				-		-
11. Air and surface freight				-		-
12. Programme support/administrative backstopping				-		-
13. Staff assessment				-		-
Total, lines 1-13	4 229	635	373	1 008		4 652.9
14. Income from staff assessment						-
Net requirements	4 229	635	373	1 008		4 652.9
15. Voluntary contributions						
Total resources	4 229	635	373	1 008		4 652.9

ANNEX III

Supplementary information on the cost estimates for the period from 1 April 1998 to 31 December 1999

A. Mission-specific cost parameters

	Previous submission 1 April 1997-31 March 1998	Proposed estimates: Average strength	Proposed estimates: Unit or daily cost	Proposed estimates: Monthly cost	Explanation
1. Mission subsistence allowance					Reviewed by the Office of Human Resources Management in December 1996.
(a) First 30 days					
D-1 and above	$123.16		$123.16		
Others	$94.30		$94.30		
(b) Next 30 days					
D-1 and above	$107.10		$107.10		
Others	$82.00		$82.00		
2. Travel costs (round trip)					
(a) Air					
Military liaison officers	$3 000	17	$3 000		20 military liaison officers (an increase of 3).
Civilian police observers	$3 000	38	$3 000		51 civilian police (an increase of 13).
Staff					
New York/Washington	$700		$700		
Europe	$2 700		$2 700		
Local	$45		$45		
(b) Daily subsistence allowance					
New York/Washington	$202		$202		
Europe	$202		$202		
Local	Rate of $45 includes local travel		Rate of $45 includes local travel		
3. Civilian staff					
International staff		129			141 staff (an increase of 12). Costing of international staff assumes a 10 per cent turnover factor; for local staff, a 5 per cent turnover factor.
Local staff		199			229 (an increase of 30); 8 additional national officers; 7 international staff (2 at the Field Service and 5 at the General Service level) to be replaced by local level staff; and 15 additional local staff.
United Nations Volunteers	$4 200 each	106		$4 200 each	90 volunteers (a decrease of 16).

	Previous submission 1 April 1997-31 March 1998	Average strength	Proposed estimates: Unit or daily cost	Proposed estimates: Monthly cost	Explanation
4. Premises					
(a) Rental					
Headquarters	$11 700 average		$12 500 average		
Regional offices	$823 average		$1 000 average		Two subregional offices added, Chimaltenago and Fray Bartolome.
Warehouse	$2 500		$1 061		
Parking	$1 850		$3 030		
Repeater sites	$780		$170		
(b) Minor alterations				$49.39	
(c) Security services/cleaning services	$30.66 per month			$13.67	
(d) Utilities	$8.65 per month			$34.98	
5. Transport operations				$9.00	
Maintenance of vehicles	$32.77 per month			$24.02	2,000 kilometres per vehicle per month at 30 kilometres per gallon at a cost of $1.70 per gallon.
Rental of vehicles	$9.00 per month			5% of petrol	
Petrol	$20.26 per month				
Oil and lubricants	5% of petrol				
Insurance (per annum per vehicle)	$1 000 per month worldwide and $540 per month local		$1 000 worldwide and $500 local		
Worldwide	$100		$100		
Local	$50		$54		
6. Air operations					
(a) Helicopter operations					
Hire/charter costs	Fixed monthly rate of $75,000 for 60 hours				Fixed monthly rate of $111,500 for 60 hours.
Aviation fuel and lubricants					
Positioning/depositioning costs					
Painting/preparation					
Insurance and allowances				$800	
(b) Fixed-wing aircraft					
Hire/charter costs	Fixed monthly rate of $27,000 for 20 hours, plus an additional7 hours per month at $1,206 per hour				Fixed monthly rate of $27,000 for 20 hours, plus an additional 10 hours per month at $1,206 per hour.

	Previous submission 1 April 1997-31 March 1998	Proposed estimates			Explanation
		Average strength	Unit or daily cost	Monthly cost	
Aviation fuel and lubricants					
Liability insurance and allowance					
(c) Aircrew subsistence allowance					
(d) Other air operation costs					
Air traffic control services and equipment					
Landing fees and ground handling					
Fuel storage containers					
7. Communications					
Complementary communications					
Acquisition of communications equipment	-	-	-	-	See details in annex II.
Spare parts, supplies and maintenance	$13 000 per month			$14 595	
Commercial communications					
INMARSAT	$75 per minute		$75		
INTELSAT	$55 per minute		$55		
Telephone	$6 000 per month			$6 000	
Pouch and other mail service	$2 500 per month			$2 500	
8. Supplies and services					
(a) Miscellaneous services	$9 400 per month			$10 914	
(b) Official hospitality	$700 per month			$700	
(c) Miscellaneous supplies	$20 375 per month			$20 900	
9. Public information programmes	$26 666 per month			$28 700	
10. Training programmes					
11. Air and surface freight					
Commercial freight and cartage	$5 000 per month			$5 000	
Other	-			-	
12. Programme support	-			-	

B. Supplementary information

Military liaison officers

1. Included in the estimates are provisions for clothing allowance at a unit rate of $200 annually for each military liaison officer, and death and disability allowance of $1,500 per year for each military liaison officer. Travel costs relate to 3 additional military liaison officers proposed and 3 expected to rotate in 1998 and 15 in 1999.

Civilian police observers

2. Included in the estimates are provisions for clothing allowance at $200 annually for each civilian police officer. Travel costs relate to 13 additional civilian police and 10 expected to rotate in 1998 and 30 in 1999.

International staff

3. In line with the recommendations of the Advisory Committee on Administrative and Budgetary Questions, no resources are requested under the regular budget for consultancy services. All requirements in this connection will be provided from voluntary contributions, as outlined in annex IV. Travel, estimated at $296,200, relates to travel from Guatemala to Washington ($38,200); round-trip to Europe ($47,000); and local as well as regional travel ($211,000).

Premises

4. Provisions for rented headquarters premises for the current mandate period relate to rented premises at various locations (Pacaya Building, Transport House and its Annex, and several floors of the Columbus Building). During the course of the mandate period, it has been possible to consolidate most of the Mission's activities in the newly negotiated premises at Torre Granito. This consolidation resulted from the housing of all substantive and administrative offices of MINUGUA (originally housed in two rented premises) into one building. The cost of leasing the buildings at Pacaya and Columbus would have increased, had the contracts on each of the two buildings been extended when they expired. The estimates under this heading include rental of premises at the Mission's headquarters in Guatemala City ($790,900); the regional offices and suboffices ($343,700); and warehouse, parking and repeater sites ($89,900). Provisions are also made for minor alterations and renovation ($140,000); maintenance supplies ($83,100); miscellaneous maintenance services ($117,500); and utilities ($287,100). Security services for all offices are estimated at $859,400 and cleaning services at $314,100.

Transport operations

5. MINUGUA has a fleet of 223 vehicles, of which 11 were purchased from resources under the trust fund. Provisions are made for repairs, maintenance and spare parts for 212 vehicles ($826,800); insurance ($55,700); and petrol, oil and lubricants ($529,800). Included in the estimates is a provision for rental of trucks or other related vehicles for transporting heavy equipment throughout the mission area as required ($21,400). As indicated in annex II, provisions are made for the replacement of 171 vehicles. Practically all of the

MINUGUA fleet will have reached over five years of service. It is proposed, however, to replace only those vehicles obtained from other missions which were purchased in 1989 and 1990.

Air operations

6. Provisions relate to rental of a fixed-wing aircraft from a local commercial company, including insurance and allowances ($988,300), and a helicopter ($2,341,500).

Communications

7. The resources requested relate to commercial communications, namely, INMARSAT and INTELSAT charges for lines and usage ($277,200); telephone ($126,800); and pouch and mail charges from Guatemala City to regional offices and suboffices ($105,000) and from the Mission to headquarters ($15,500); spare parts, supplies and maintenance of communications equipment ($306,500); and the replacement and acquisition of various pieces of communications equipment (see annex II).

Other equipment

8. Provisions relate to the replacement and acquisition of furniture, office equipment, other miscellaneous equipment and data-processing equipment, details of which are contained in annex II. Included in the estimates is a provision of $188,700 for spare parts, repairs and maintenance of existing equipment under these categories.

Public information programme

9. Provisions under the item public information programmes will cover seminars; radio campaigns and radio spots, including the production and broadcasting of radio programmes in Spanish and in the indigenous languages throughout the country; the production of specialized videos on the work of MINUGUA; and the production and dissemination of publications. Included in these provisions are requirements for contractual services related to press monitoring, photographic services, advertising and promotion; bimonthly supplements in local newspapers on the activities of the Mission; posters; and special events.

ANNEX IV

Use of extrabudgetary resources and the role of United Nations agencies in the Guatemalan peace process

Use of extrabudgetary resources

1. During the current mandate period (1 April 1997-31 March 1998), the United Nations Verification Mission in Guatemala (MINUGUA) has continued to receive voluntary contributions from a number of donor Governments and has carried out a variety of institution-building projects and activities in support of the peace process and implementation of the peace accords. The Mission has been providing advisory services to the Government's ministries and other public sector bodies through experts and consultants contracted by MINUGUA. It has conducted seminars and other educational activities aimed at increasing public knowledge of the peace accords and has occasionally helped to upgrade public sector infrastructure by providing facilities and equipment. These have included construction of offices for the Judiciary, the National Police and the Prosecutor's Office in remote areas and installing an electronic data-processing system in the Prosecutor's Office and the Judiciary in Guatemala City. Expenditures incurred during the current mandate period amount to $2,523,100. The balance of the contributions available for the next mandate period amounts to $10,869,000.

2. The Mission's activities during the current mandate period have been concentrated in the human rights, civil authority and indigenous affairs areas, with particular focus on institution-building in the justice and public security sectors. It is expected that the Mission's 1998-1999 activities will continue to focus on those areas. The Mission's policy is to implement peace-related projects only when such activities are considered critical to the implementation of the accords and cannot be carried out by existing United Nations agencies and programmes, or by other actors.

The role of United Nations agencies in the Guatemalan peace process and coordination and cooperation with them by the Mission

3. Following the signing of the peace accords in December 1996, the role of United Nations agencies in their implementation has developed along the following lines:

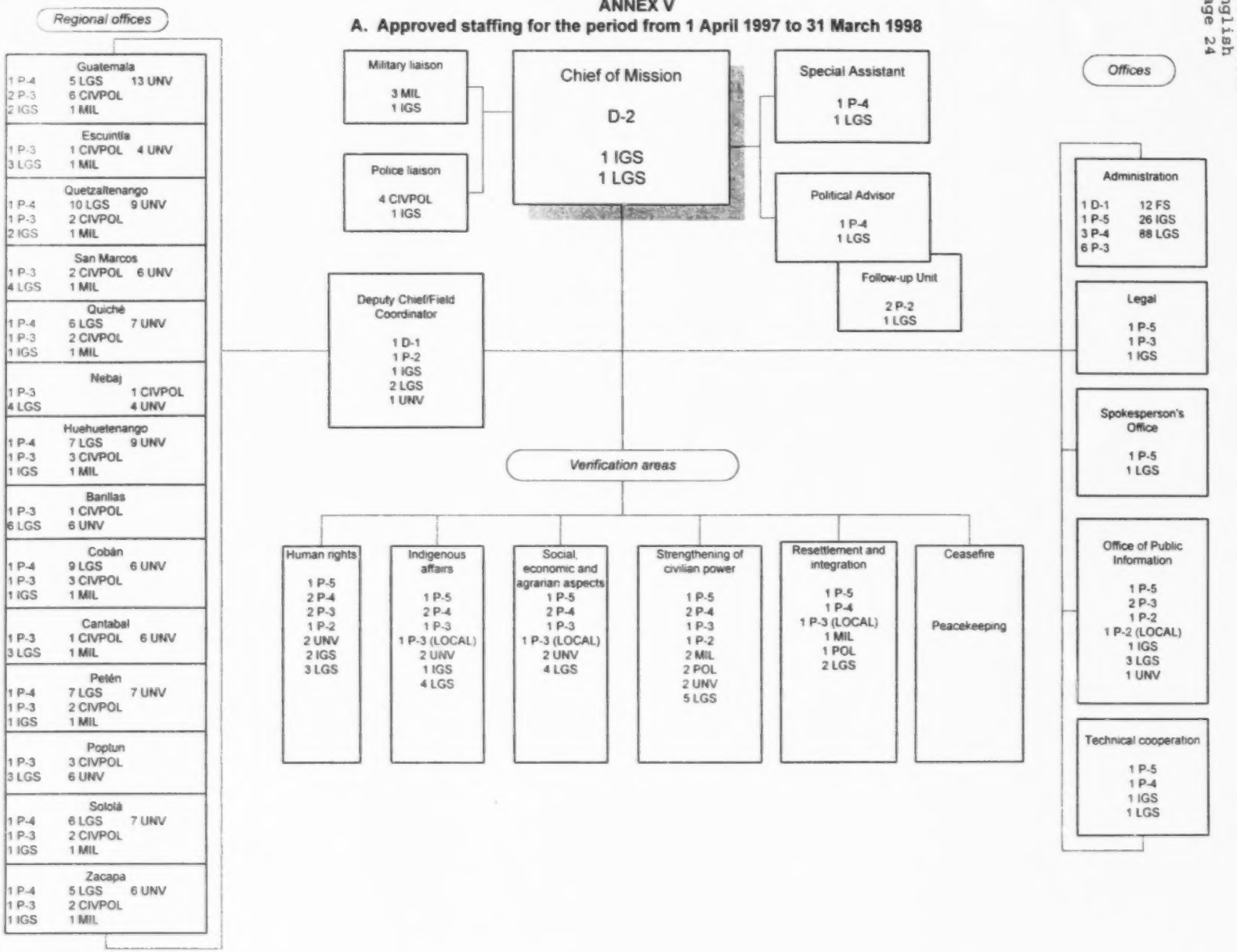
(a) Agency support to the Verification Mission. Under the peace accords, MINUGUA is authorized to obtain assistance and cooperation from international organizations whose mandate is relevant to the matters covered in the peace agreements. The Mission has thus sought direct assistance from United Nations agencies and programmes with relevant experience each time it has been feasible;

(b) Inter-agency cooperation for the implementation of the peace accords. While no formal agreement exists (as at November 1997) with regard to the specific role to be played by the agencies and programmes of the United Nations system in the implementation of the peace accords, the concept of a "lead agency" has been developed, in which such an agency would assume a coordinating

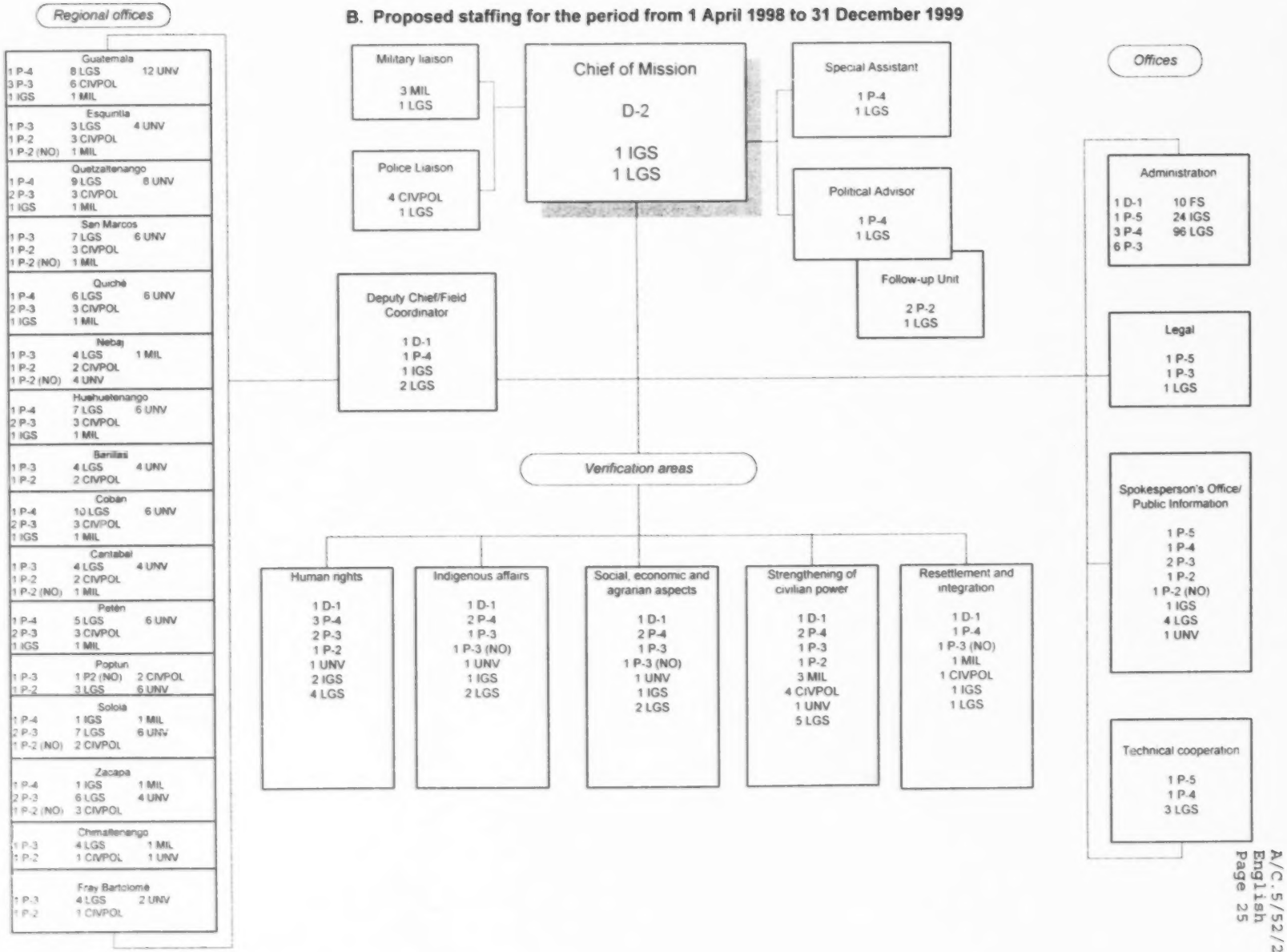
role for specific parts of the peace agreements, based upon its mandate in the corresponding area. MINUGUA participates regularly in inter-agency coordination meetings chaired by the Resident Coordinator. An excellent example of successful cooperation among United Nations agencies in peace-related activities was the Mission's role in coordinating in early 1997 the logistical support of the United Nations (and bilateral) agencies to the process of demobilization of combatants of the Unidad Revolucionaria Nacional Guatemalteca.

ANNEX V

A. Approved staffing for the period from 1 April 1997 to 31 March 1998



B. Proposed staffing for the period from 1 April 1998 to 31 December 1999



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PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1998-1999

UNITED NATIONS COMMON SYSTEM

Administrative and financial implications of the decisions and recommendations contained in the report of the International Civil Service Commission (A/52/30)

Statement submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly

I. INTRODUCTION

1. The twenty-third annual report of the International Civil Service Commission (ICSC)[1] contains a number of decisions and recommendations with financial implications for the regular budget for the biennium 1998-1999, related to the following issues (the reference paragraphs in the ICSC report are indicated in parentheses):

(a) Conditions of service of staff in the Professional category and above:

(i) Base/floor salary scale (para. 62);

(ii) General Assembly request in resolution 51/216: post adjustment at Geneva (paras. 100-102);

(b) Remuneration of the General Service and other locally recruited categories of staff:

(i) Methodologies for surveys of best prevailing conditions of employment at headquarters and non-headquarters duty stations (paras. 126-131);

(ii) Non-pensionable component (paras. 139 and 140);

(iii) Review of the basis for the dependent children's allowance (para. 150);

(c) Conditions of service applicable to all categories of staff:

(i) Education grant: review of the methodology for determining the level of the grant (paras. 163-166);

(ii) Performance management (para. 219);

(iii) Appointments of limited duration (para. 249);

(iv) Standards of travel and per diem (paras. 275 and 276);

(v) Mission subsistence allowance (para. 285).

II. CONDITIONS OF SERVICE OF STAFF IN THE PROFESSIONAL CATEGORY AND ABOVE

A. Base/floor salary scale

2. In section I.H of its resolution 44/198 of 21 December 1989, the General Assembly established a floor net salary level for staff in the Professional category and above by reference to the corresponding base net salary levels of officials in comparable positions serving at the base city of the comparator civil service (the federal civil service of the United States of America). The base/floor scale was part of an integrated package of measures in which negative classes of post adjustment were eliminated. The base/floor scale is used in the calculation of payments under the mobility and hardship scheme, as well as separation payments.[2] Adjustments to the scale have been made, since 1990, on 1 March of every year from 1991 to 1995 and on 1 January 1997.

3. The analysis for calendar year 1997 showed that the comparator's net base salary was 3.1 per cent higher than that of United Nations net base salary at the dependency rate at P-4, step VI (the approved point for comparison). In order to bring the two scales in line, the Commission, in its annual report to the General Assembly at its fifty-second session,[1] decided to recommend to the General Assembly that an upward adjustment by 3.1 per cent to the common system scale would be required and should be implemented with effect from 1 March 1998. The increase of 3.1 per cent for 1998 would reflect an increase in the base/floor scale through the standard method of consolidating post adjustment multiplier points on a no-loss/no-gain basis.

4. In the context of the revised base/floor scale, the Commission also recommended that the revised rates of staff assessment for those without primary dependants to be used in conjunction with gross base salaries of the above-mentioned categories of staff also be introduced effective 1 March 1998.

5. If the base/floor salary scale were to be adjusted on 1 March 1998 by 3.1 per cent through the above-mentioned method of consolidation on a

no-loss/no-gain basis, the impact for the United Nations common system would be as follows:

(a) For duty stations that would fall below the level of the new base/floor: $48,650;

(b) In respect of the mobility/hardship allowance: $1,946,800;

(c) In respect of the scale of separation payments: $439,440;

(d) Total financial implications for the common system per year: $2,434,890; financial implications for the United Nations regular budget: estimated at $795,480 per year.

The financial implications for 10 months of 1998 for the United Nations common system as a whole were estimated by ICSC at $2,029,000. The financial implications for 10 months of 1998 for the United Nations regular budget have been estimated at $676,300.

B. Post adjustment at Geneva

6. In its resolution 51/216 of 18 December 1996, the General Assembly reiterated its request to the Commission urgently to complete its study regarding the methodology for establishing a single post adjustment index for Geneva and to implement it at the earliest date and no later than 1 January 1998.

7. A methodology to give effect to the request of the General Assembly was recommended to ICSC by the Advisory Committee on Post Adjustment Questions. After reviewing that methodology, the Commission decided at its forty-fifth session, in May 1997, that the Chairman of the Advisory Committee and its secretariat should consult further with organizations and staff in Geneva to obtain their views and comments on all viable options that would be responsive to the Assembly's request.

8. At its fifty-sixth session, in July 1997, the Commission considered the views of the Geneva-based organizations and the United Nations Legal Counsel and concluded that there were difficulties with all the alternatives reviewed and decided to report to the General Assembly that:

(a) Since its report to the Assembly in 1995 regarding the issue of the Geneva post adjustment, a number of new facts had emerged and, in view of that, the Commission had undertaken a comprehensive study of the entire matter and had identified four possible approaches to respond to the Assembly's request;

(b) None of the approaches that the Commission had examined were without legal problems;

(c) While it was technically possible to calculate a single post adjustment index based on prices of goods and services in Geneva and the neighbouring areas of France, the following issues needed to be addressed:

(i) As with the other alternatives examined, implementation of results based on that approach raised a number of difficulties of a legal, administrative and technical nature that could lead to appeals by staff before the administrative tribunals;

(ii) Organizations in Geneva had indicated that the approach was incompatible with their staff regulations and rules and they would need to have an opportunity to discuss it, as well as other legal and administrative matters, at the level of their governing bodies before implementing the Commission's decisions in that regard;

(iii) If some of the Geneva-based organizations decided not to apply the single post adjustment based on the above approach, it would be tantamount to a break-up of the common system;

(iv) Since it was anticipated that the approach would result in lowering the post adjustment at Geneva, some transitional measures would need to be applied;

(v) While it was anticipated that the application of the revised post adjustment based on the above approach would result in some savings, the net savings could not be assessed at that stage since the cost of litigation before the tribunals was not known;

(vi) Geneva-based organizations would require changes to their staff regulations that defined the duty station before the adoption of the single post adjustment index.

9. The Commission therefore indicated to its secretariat that, prior to taking any decision on the subject, it would be necessary to undertake a cost-benefit analysis. Such an analysis would help determine if the implementation of a single post adjustment multiplier as requested by the General Assembly would be cost beneficial in view of the technical, legal and administrative repercussions the Commission had identified. Bearing in mind the above, it would not be possible to implement the single post adjustment for Geneva by 1 January 1998, as requested by the Assembly in its resolution 51/216.

III. REMUNERATION OF THE GENERAL SERVICE AND OTHER LOCALLY RECRUITED CATEGORIES OF STAFF

A. Methodologies for surveys of best prevailing conditions of employment at headquarters and non-headquarters duty stations

10. In section II of resolution 51/216, the General Assembly noted the preparations undertaken for the 1997 review of the survey methodologies and requested the Commission, inter alia:

(a) To resolve, to the extent possible, inconsistencies between those methodologies and that applied pursuant to the Noblemaire principle, inter alia,

by examining the questions of overlap in remuneration between the two categories;

(b) To study the feasibility of increasing the weight of public sector employers in the salary surveys at headquarters and non-headquarters duty stations;

(c) To submit a report based on the review of the methodology to the Assembly at its fifty-second session.

11. The General Assembly also requested the Commission to defer a final decision on the General Service salary-setting methodologies pending the review of the application of the Flemming principle by the Assembly at its fifty-second session and to adjust its programme of headquarters salary surveys as appropriate.

12. The Commission reviewed the methodologies for surveys of best prevailing conditions of employment on the basis of the recommendations of a working group established by it for the purpose. In its consideration of the principles, the Commission examined the issue of overlap in remuneration between the Professional and General Service categories. The Commission addressed in particular the need for a broad cross-section of economic sectors, including the national civil service and other public/non-profit employers. The criteria for the differentiation of labour markets at non-headquarters duty stations, the benefit utilization criteria and the interim adjustment process were also included in the review.

13. With regard to the Flemming and Noblemaire principles, the Commission concluded that the inconsistencies between them were a direct result of the different objectives of the two principles. The Noblemaire principle set out to measure a national labour market representing the highest paid civil service and to apply the measurement results uniformly to a worldwide population. The objective of the Flemming principle was to measure a local labour market representing largely private sector employers and to apply the measurement results uniformly to a local population. Therefore, it could not be expected that a high degree of consistency would prevail between the two methodologies.

14. The Consultative Committee on Administrative Questions was of the view that the issue of the overlap between Professional and General Service salaries should not be seen in the context of the Flemming principle, but should be reviewed in the context of the non-application of the Noblemaire principle. The Consultative Committee had maintained that the five-year process of discussing Noblemaire at the Commission had produced almost negligible results, the United States national civil service remained the comparator and there were no recommendations to adjust the margin range above 110-120, despite the fact that it had been demonstrated that the German civil service had superior conditions of service to those of the United States federal civil service.

15. ICSC concluded that an overlap between Professional and General Service salaries was not a situation unique to the United Nations system. The phenomenon was frequently found with other employers, including national civil

services, and was therefore not a problem in and of itself, as long as the overlap did not exceed generally acceptable levels.

16. On the issue of the criteria for employer selection and benefit quantification, the Commission decided:

(a) To approve the economic sector representation in General Service surveys[3] and that the public/non-profit sector, including the national civil service, should be represented by at least 25 per cent of the retained employers and that no individual subsector of the private sector should be represented by more than 25 per cent of the retained employers;

(b) To increase the criterion for utilization of a benefit to allow quantification of a benefit to at least 75 per cent of staff eligible for it.

17. With regard to the differentiation of labour markets at non-headquarters duty stations, the Commission decided to establish three categories of non-headquarters duty stations to determine the number of employers to retain for the establishment of local conditions of service, where 12, 7 or 5 employers would be retained in the final analysis.

18. With regard to the interim adjustment procedure, the Commission decided that, for non-headquarters locations, the mini-survey should be the basis for interim adjustments and, for headquarters locations, the percentage adjustments to the net salary scale should be set at each headquarters duty station at a level most appropriate to the local conditions, provided that the adjustment not exceed 90 per cent.

19. The Commission also decided to implement the revised non-headquarters methodology as at 1 January 1998, barring major reservations by the General Assembly.

20. It is envisaged that with the implementation of the revised methodologies, salary adjustments would in effect slow down. It is therefore expected that some potential cost increases under the regular budget of the United Nations would be avoided in the future.

B. Non-pensionable component

21. The Commission considered the recommendations of the working group with regard to the criteria for establishing the non-pensionable component. The Commission reviewed those elements which should be considered pensionable and non-pensionable in the determination of the component, as well as the levels of the ceiling and appropriate threshold in the establishment of the component.

22. With the introduction of the income replacement approach to General Service staff in 1994, the criteria for establishing the non-pensionable component needed to be re-examined. The Commission noted that the cap of 25 per cent in conjunction with the income replacement approach inevitably led to a lower proportion of income after service vis-à-vis in-service income than would be considered desirable under the income replacement approach. The Commission also

recalled that the current level of the ceiling (25 per cent of net salary) was based on an administrative decision and that a reduction of the ceiling would be beneficial to duty stations with a large non-pensionable component since a lesser proportion of income would be considered non-pensionable and the relationship between income while in service and income after service would improve.

23. The Commission decided that:

(a) The main criteria for the determination of pensionability should be the regularity, recurrence and predictability of benefits and allowances paid to employees in cash and, on that basis, remuneration elements indicated in annex XVII of its report[1] should be considered pensionable;

(b) The ceiling for the non-pensionable component should be reduced to 20 per cent of net salary from the current amount of 25 per cent;

(c) The threshold for the establishment of the component should be the same for both headquarters and non-headquarters duty stations, namely, 10 per cent of net salary, with no established minimum;

(d) Transitional measures would apply as usual, that is, gross pensionable salaries would be maintained if found lower as a result of any of the above recommendations until such time as future revisions based on either a comprehensive survey or an interim adjustment produced gross pensionable salaries that were equal to or higher than those in effect on 31 December 1997.

24. As a result of the Commission's decision regarding the criteria for the determination of the non-pensionable component, which would become effective on 1 January 1998, some potential cost increases would be avoided in the future. Specific amounts involved cannot reliably be projected at the present stage.

C. Review of the basis for the dependent children's allowance

25. The Commission noted that the children's allowance for General Service staff continued to be established on the basis of either local practice or social benefit policy established in 1982. At that time, the Commission concluded that the basis for the calculation of the children's allowance for the General Service and related categories should reflect a combination of local practice and a social benefit policy. It was determined and agreed that a floor amount for the children's allowance should be calculated for each duty station based on 3 per cent of the mid-point of the local salary scale.

26. The Commission confirmed the social benefit/local practice approach to the determination of the children's allowance for General Service staff that had been established in 1982.

27. ICSC concluded that the floor formula should be revised to 2.5 per cent from the current 3 per cent of the mid-point of the local salary scale. It decided that the children's allowance amounts in effect as at 31 December 1997 would continue in effect until the scale of net salaries was revised as a result

of either a comprehensive General Service salary survey or an interim adjustment with effect from 1 January 1998.

28. The Commission also decided that if the children's allowance based on paragraph 150 (e) of its report were equal to or higher than that in effect on 31 December 1997, then the revised children's allowance would be used. However, if the children's allowance based on paragraph 150 (e) were lower than that in effect on 31 December 1997, then the latter would continue to be used until the procedure in paragraph 150 (e) or the calculation based on local practice produced a children's allowance that was equal to or higher than that in effect on 31 December 1997.

29. As a result of the Commission's decision regarding the minimum formula for the determination of the children's allowance, which would become effective on 1 January 1998, some potential cost increases would be avoided in the future. Specific amounts involved cannot be estimated with any reliability at the present stage.

IV. CONDITIONS OF SERVICE APPLICABLE TO ALL CATEGORIES OF STAFF

A. Education grant: review of the methodology for determining the level of the grant

30. In 1992, the Commission approved the revised methodology for determining the level of the education grant.[4] At the same time, it agreed that the revised methodology would be reviewed in 1995 in the light of experience gained in its application. However, the review of the methodology initially planned for 1995 was postponed by the Commission to 1997. Several issues were identified for consideration during the 1997 review, such as (a) capital assessment fees; (b) the boarding element (updating procedure to be used for the flat rate for boarding and treatment of boarding expenses in cases where the educational institution did not provide boarding); (c) boarding element at designated duty stations; (d) trigger point for an adjustment of maximum allowance expenses; (e) allowance items of expenditure and the currency of payment; and (f) procedure for handling exceptional situations.

31. The Commission decided to inform the General Assembly that the methodology for determining the level of the education grant introduced in 1992 had functioned reasonably well. However, based on the experience of the application of the methodology during the past three reviews of the level of the grant, it had concluded that some modifications to the methodology would be in order. Specifically, the Commission decided on the following modifications to the methodology:

(a) Capital assessment fees (major lump-sum payments for schooling at certain locations):

(i) The organizations and staff would share the cost of the one-time capital assessment fees on the same basis on allowable expenses;

(ii) In the event that such an arrangement resulted in staff expenditures beyond the maximum allowable expenses, the Chairman of ICSC could exceptionally increase the level of the maximum allowable expenses at the request of the organization for the duty station in question;

(iii) Subsidized loan arrangements should be considered in cases where the capital assessment fee would be refunded by the school upon departure or graduation;

(b) Flat rate for boarding:

(i) For currency areas where flat rates for boarding had not been adjusted since 1990, they would be adjusted by the movement of the consumer price indices between 1990 and the date of the next biennial review;

(ii) For currency areas where flat rates for boarding had been adjusted since 1990, they would be adjusted by the movement of the consumer price indices between the date of the last adjustment and that of the next biennial review;

(iii) For currency areas where the flat rate for boarding would be adjusted by the movement of the consumer price indices at the time of the next biennial review, the rates should continue to be adjusted by the movement of the consumer price indices at the time of the subsequent biennial review;

(iv) In cases where boarding was not provided by the educational institution, cost of boarding from other sources would be considered as an admissible expense within the maximum allowable expenses as long as the educational institution certified the boarding facility;

(c) Additional flat rate:

(i) On the occasion of the next biennial review of the level of the grant, additional flat rates would be established for all currency areas at the level of 150 per cent of the normal flat rates;

(ii) Thereafter, additional flat rates for all currency areas would be adjusted on the same date and by the same percentage as the adjustment of the normal flat rate;

(d) Trigger point. For currency areas with few education grant claims, the maximum allowable expense adjustment would be triggered if at least 5 per cent and a minimum of five claims exceeded the existing maximum allowable expense limit.

32. The Commission also decided to request the General Assembly, in cases where a duty station in the United States dollar area/outside the United States had experienced an exceptional increase in fees between two reviews of the level of the grant, that the Chairman of the Commission should then be delegated the authority to approve a special measure that allowed for the reimbursement of

admissible expenses up to the approved level of the maximum allowable expenses for the United States dollar/United States area.

33. The Commission further decided that the methodological changes outlined in paragraph 30 above would be taken into account beginning with the 1998 biennial review.

B. Performance management

34. In resolution 51/216, the General Assembly requested the Secretary-General to make operational proposals to the Assembly by 1 October 1997 on the possibility of introducing a system of performance awards or bonuses, in the context of the performance appraisal system, to a limited number of staff in recognition of their outstanding performance and individual achievements in a given year, for consideration by the Assembly at its fifty-second session. A parallel request was also addressed to the executive heads of common system organizations to develop such proposals as a matter of priority for submission to their respective governing bodies and that such proposals should be coordinated, to the extent possible, with those developed by the Secretary-General. The Assembly also invited ICSC to provide general comments on the concept of performance awards and bonuses to the Assembly at its fifty-second session.

35. In the first instance, the Commission stressed that performance recognition, awards and bonuses should be reviewed in the context of a performance appraisal system and noted that greater emphasis should be given to the need for objective and rigorous appraisal of performance at all levels.

36. The Commission also recognized the differing organizational strategies and cultures prevailing in the United Nations common system and considered that a flexible approach to performance management should be taken. The Commission decided that in developing performance awards and recognition schemes each organization should include consideration of cash awards to individuals for a given performance period and provide certain guidance. Such awards should not exceed 10 per cent of the mid-point of the base/floor salary for Professional staff and 10 per cent of the mid-point of the net salary of General Service staff. Performance awards and bonuses should not be payable to more than 30 per cent of the workforce and the overall cost of a recognition and reward programme should not exceed 1.5 per cent of an organization's projected remuneration costs.

37. ICSC also recommended that any pay-based approach to performance recognition could be introduced on a pilot basis, in close consultation with the ICSC secretariat, and requested organizations to present biennial reports to the Commission on their performance management schemes, including the utilization of cash awards, using a format to be developed by the ICSC secretariat in consultation with the organizations.

38. In response to General Assembly resolution 51/216, which requested the Secretary-General to make operational proposals on the possibility of

introducing a system of performance awards or bonuses, the Secretary-General has submitted a separate report to the Assembly (A/52/439).

C. Appointments of limited duration

39. In resolution 51/216, the General Assembly invited the Commission to pursue its work on the issue of appointment of limited duration without delay. Appointments of limited duration have been on the Commission's work programme since the 1989 comprehensive review and have been considered by it in 1990, 1994 and 1996. On the latter occasion, the Commission had stressed the need to convene a working group, with the participation of the organizations and staff, as well as the United Nations Joint Staff Pension Fund, to review the range of issues involved and to propose specific recommendations to the Commission.

40. The working group undertook an in-depth review of the pilot schemes applied by the United Nations and the United Nations Development Programme (UNDP), analysed the organizations' current and future needs and reviewed issues such as the interface with core staff, geographical distribution, pension fund coverage and equity/loyalty. It also reviewed an arrangement in place in the International Telecommunication Union (ITU) for managed renewable-term contracts, conducted detailed comparisons between appointments of limited duration schemes and the standard compensation package, examined workforce statistics and looked into terminological issues, the two latter issues in collaboration with the secretariat of the Consultative Committee on Administrative Questions. Ultimately, the working group proposed a framework for employment on appointments of limited duration, elaborating guiding principles, guidelines and a basis for possible remuneration structures.

41. The Commission agreed in principle that appointments of limited duration arrangements within the common system were an appropriate modality to the extent that the scope of the practice did not impinge on the international civil service. The Commission decided that the United Nations and UNDP/United Nations Office of Project Services appointments of limited duration pilot schemes should remain in pilot status. Other organizations wishing to use such arrangements could proceed on a pilot basis provided that the principles and guidelines for employment on appointments of limited duration were observed and the ICSC secretariat was closely associated with the development of such arrangements. ICSC underscored the importance of appointments of limited duration arrangements being used for their intended purpose and, therefore, the overall time limit of four years for such employment should be strictly observed. The Commission also decided that appropriate reporting and monitoring modalities should be put in place to ensure that the Commission and its secretariat were kept fully informed of the status and developments in respect of appointments of limited duration employment modalities. The Commission further decided that the managed renewable-term contracts in ITU should remain in pilot status and be subject to the same monitoring and reporting requirements as for appointments of limited duration arrangements. The Commission concluded that the current arrangements should continue under pilot schemes until such time as the Commission undertook a more definitive review.

42. As a result of the administrative simplicity of the appointments of limited duration scheme, it is envisaged that the Organization would realize savings on costs related to the administration of the scheme.

D. Standards of travel and per diem

43. In paragraph (c) of its decision 51/465 of 3 April 1997, the General Assembly requested the Commission to review, at the earliest opportunity, taking into account the relevant reports of the Advisory Committee on Administrative and Budgetary Questions and the Joint Inspection Unit, the question of travel entitlements of staff of the United Nations common system.

44. In view of the limited time available, the ICSC review was limited to the determination of the continuing need for certain travel allowances and policies, that is, class of travel, stopovers and rest periods. The Consultative Committee on Administrative Questions was of the view that the issue of standards of travel and per diem should be taken up at a later stage since it was essentially only one part of the complex mosaic of travel arrangements in the organizations of the United Nations common system, and that the standards of travel were but one element of travel management and, in particular, the management of travel costs.

45. It was also emphasized by the Consultative Committee that while the purpose of travel itself lay in the need for organizations to fulfil their mandates, the organizations should bear in mind their responsibility for the safety and health of the staff who were required to undertake official travel. The Consultative Committee indicated that the views of the medical directors were essential in the consideration of the travel issue.

46. The Commission decided to inform the General Assembly that, in response to its request in decision 51/465, it had studied the issue of standards of travel and wished to report the following:

(a) The scope and complexity of the issues involved would require considerably more time than had been given by the Assembly;

(b) Bearing in mind the diverse mandates of the organizations and their significantly different travel programmes and requirements, it was neither desirable nor feasible to impose a uniform approach on them;

(c) The overall issue of travel policy, including some flexibility in standards of travel, should be left to the legislative/governing bodies of the individual organizations to sort out;

(d) Broad guidance could nevertheless be provided to the organizations with a view to ensuring greater uniformity vis-à-vis their travel standards. In this context, the Commission considered that for official travel:

(i) For flights of six or more hours' duration it was reasonable to consider an upgrade from economy to business class. If organizations wished to change their time threshold for business class travel, it

would be expected that they would move towards the threshold of six hours;

(ii) The duration of flight should be defined as the scheduled flying time including any refuelling stops or the time required for change of planes;

(iii) The current practice of the organizations regarding stopovers for journeys of more than 10 (or 12) hours should be discontinued on the understanding that staff members would be allowed a rest stop of no less than 24 hours' duration upon reaching their destination.

47. The Commission decided to resume its consideration of other travel-related issues such as supplements to the daily subsistence allowance, travel on home leave, family visits and so on, at a later date and to submit a report on the subject to the General Assembly.

E. Mission subsistence allowance

48. At its resumed fifty-first session, the General Assembly requested the Secretary-General to phase out over a period of six months the supplement to the mission subsistence allowance paid to senior officials. The Assembly also requested ICSC to develop a proposal to provide a post allowance and separate maintenance allowance for those personnel who leave their families at their home duty station while they are on mission assignment.

49. At the forty-sixth session of ICSC, the representative of the United Nations stated that the mission subsistence allowance was a daily allowance payable by the Organization for living expenses incurred by staff serving at special missions. The allowance was given to staff members serving at special non-family missions in lieu of daily subsistence allowance or any other cost-of-living allowance. The difference between mission subsistence allowance and daily subsistence allowance was specific: the latter had been established by ICSC and was intended for stays of shorter duration, while mission subsistence allowance reflected stays of longer duration in a location. Mission subsistence allowance rates were uniform within a mission area and were always lower than daily subsistence allowance rates. The entitlements of staff assigned to peacekeeping missions were dictated by the temporary and short-term mandate periods of the missions. Mission subsistence allowance, as a central element in those entitlements, responded to the operational demands of missions. With a uniform mission subsistence allowance throughout the mission area, there was no need to monitor the movement of staff on a daily basis. Therefore, it was not required to adjust the cost-of-living expenditures daily for staff throughout the area. The use of mission subsistence allowance was, therefore, a cost-effective mechanism that was administratively simple to administer to meet the costs of subsistence for staff serving at special missions.

50. The Commission noted that it was not possible to conduct a detailed study on the issue in such a short time and therefore decided to report to the General Assembly that it had decided to defer the matter to its forty-seventh session.

V. SUMMARY

51. The financial implications for the regular budget per year resulting from the decisions and recommendations of ICSC are summarized below:

	United Nations common system	United Nations
	(United States dollars)	
Remuneration of staff in the Professional category and above		
(a) For duty stations that would fall below the level of the new base/floor	48 650	-
(b) Mobility/hardship scheme	1 946 800	649 000
(c) Separation payments	439 440	146 480
Total	2 434 890	795 480

The additional requirements of $1,471,800 for the regular budget in the biennium 1998-1999 will be reflected in the recosting of the programme budget proposals prior to determination of the appropriation to be adopted by the General Assembly.

Notes

[1] Official Records of the General Assembly, Fifty-second Session, Supplement No. 30 (A/52/30).

[2] Ibid., Forty-fourth Session, Supplement No. 30 (A/44/30), vol. II, paras. 118, 119, 316 and 453 (g).

[3] Ibid., Fifty-second Session, Supplement No. 30 (A/52/30), annex XVI.

[4] Ibid., Forty-seventh Session, Supplement No. 30 (A/47/30), para. 251 and annex VII.